A STUDY OF BARRIERS FACED BY ALBERTAN WOMEN IN BUSINESS

THIS STUDY HAS BEEN COMMISSIONED BY:

DEPARTMENT OF
ALBERTA ECONOMIC DEVELOPMENT AND TRADE

I.S.B.N. # 0-7732-0630-2

EXECUTIVE SUMMARY

THIS STUDY HAS BEEN COMMISSIONED BY:

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ALBERTA ECONOMIC DEVELOPMENT AND TRADE

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There are FOUR parts to this Study:

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Report	"	# 0-7732-0634-5
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August 1990

A STUDY OF BARRIERS FACED BY ALBERTAN WOMEN IN BUSINESS:

SUMMARY REPORT

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September, 1990

SUMMARY REPORT

SUMMARY REPORT

GOALS AND OBJECTIVES

This study, commissioned by the Alberta Department of Economic Development and Trade, was undertaken to fully research barriers facing women in business relative to those of men in business in Alberta, and to identify any significant barriers unique to women.

A comprehensive set of objectives were established including:

1. Review of literature;
2. Examination of female participation rates in business organizations and services;
3. Examination of programs targeted at women entrepreneurs;
4. Primary research directed at women entrepreneurs with a male entrepreneur control group;
5. Primary research directed at providers of business support to women entrepreneurs;
6. Recommendations regarding shortcomings (if any) in existing support programs and services.

The most important conclusion of this study is that barriers to entrepreneurship do not seem to be directly gender - related. While many barriers were identified throughout this project, ultimately these apply equally to male and female entrepreneurs.

Following is a summary of the study and its findings. Given the comprehensive nature of the research, the summary is necessarily longer than usual. For ease of review, points have been categorized according to the six objectives identified previously. Section numbers appearing after a subtitle refers to the section of the study which deals with the topic.

REVIEW OF THE LITERATURE (Section 3.0)

1. A total of 75 articles and documents were reviewed. Empirical studies on barriers to women in the literature are relatively few. Only 37 were discovered of which 15 originated in Canada. The methodology of most is weak (such as using too small a sample size). Only one of the studies compared similar samples of male and female entrepreneurs.

2. The literature identified the following barriers:
   a. FINANCING - Fifteen studies addressed financing issues. These studies suggest there may be some gender discrimination by financial institutions in terms of collateral requirements, interest rates and requirements for co -signers.

b. SUPPORT AND INFORMATION NETWORKS - Ten studies addressed this issue. They indicated that lack of appropriate information was perceived by women as a problem. Generally, they see themselves as having less experience and fewer contacts, and therefore requiring support and information networks to compensate for these deficiencies.

c. LACK OF TRAINING AND EXPERIENCE - Twelve studies addressed issues of training and experience. From these studies women perceive themselves as having less experience than men.

   There is little evidence that these deficiencies are gender based.

d. NEGATIVE EFFECTS ON PERSONAL AND FAMILY RELATIONSHIPS - Eleven studies addressed this issue. These studies indicate a role conflict between home and business obligations. Two studies suggest improvements at home after women became business owners.

e. NEGATIVE SELF PERCEPTIONS - There is conflicting evidence. Five studies report women having negative self perceptions which retarded their achievements in business while three other studies found no gender related deficiencies.

f. HOSTILE ENVIRONMENT - Eight studies indicated that women perceive negative societal factors such as lack of respect by the male business community, overt discrimination and social conditioning. The evidence of each study is primarily anecdotal.

g. OTHER BARRIERS - Five studies identified some other barriers found in the literature included government red tape and lack of female role models.

In general, because of the methodological deficiencies, the literature is unclear as to whether the above barriers are unique to women i.e. directly gender - related, or whether such barriers would also be perceived by men with similar circumstances (e.g. insufficient security for loans, insufficient experience, etc.).

PARTICIPATION RATES (Section 4.0)

3. Data regarding participation rates of Albertan women in business support programs is insufficient. Organizations rarely keep figures for more than a few years, and only a few sources were identified that kept data in such a way as to break out male and female membership.

4. The numbers of female business proprietors in Alberta according to those filing tax returns in 1985 represented 34.16 % of businesses. Participation rates in various organizations varied from 10.77 % to 38.08%.

Specifically this included:

Urban Chambers of Commerce	10.77%
Rural Chambers of Commerce	19.64%
Post Secondary Institutes	34.38%
Conferences	31.89%
Contacts with Alberta Economic Development	38.08%
Contacts with General Providers of support	28.60%
Contacts with financial institutes	18.60%

Women appear to participate in business support organizations in numbers proportionate to actual numbers of female business proprietors except for chambers of commerce and financial institutes. The inadequacies of the data base make the figures regarding chambers very tenuous. The lower participation rates among financial institutions may be explained by other factors (such as starting businesses with low capital needs and the tendency among women to seek more financing from friends and relatives).

PROGRAMS TARGETED AT WOMEN (Section 5.0)

5. Programs that were targeted specifically at women entrepreneurs in Canada, the United States, and the United Kingdom were examined.

Findings include:

a. There are currently a few publicly funded programs specifically for women entrepreneurs.

b. In many cases officials indicated no intent to initiate such programs since women have, in general, expressed little need or desire for special programs.

c. Female entrepreneurs largely consider that their best avenues for development lie within main stream programs and organizations (such as those based on business sector) rather than through special women's programs.

d. The most successful women based programs were privately initiated and often established through the mechanism of a non - profit organization. These focused largely on networking, mentoring, and information dissemination.

PRIMARY RESEARCH AMONG WOMEN (WITH A MALE CONTROL GROUP)
(Section 6.0)

6. Primary research was conducted to compare perceptions of similar samples of Alberta male and female entrepreneurs currently in business.

Methodological measures were undertaken as follows:

a. A neutrally worded questionnaire was designed requesting participants to respond to 33 statement using a 5 point Likert scale.

b. The sample selection was controlled to ensure the two samples were comparable according to the following variables:

   i. Rural/urban,
   ii. Type of business,
   iii. Full - time/part - time business,
   iv. Previous experience,
   v. Home - based/commercial or industrial premises,
   vi. Age of business.

c. The response rate was:

i.	Total questionnaires sent out	718
ii.	Returned undeliverable	40
iii.	Total Deliverable	678
iv.	Total responses as of cut off date	245
v.	Response received after cut off date	46

Thus the effective response rate used for this study was 36% while the overall response rate was 43%.

7. Frequency distribution of responses to statements were similar between male and female responses.

8. Tests of correlation found no significant differences between male and female responses in the following areas. (These are categorized to correspond to the types of barriers suggested by the literature).

   a. FINANCIAL

      i. Borrowing money from the bank,
      ii. Obtaining credit from suppliers,
      iii. Raising money from investors.

   b. SUPPORT AND INFORMATION NETWORKS

      i. Awareness of non - financial government support,
      ii. Knowing people from whom they could obtain advice.

   c. LACK OF BUSINESS MANAGEMENT TRAINING AND EXPERIENCE

      i. Planning the business,
      ii. Adequate education.

d. NEGATIIVE EFFECT ON PERSONAL AND FAMILY RELATIONSHIPS

i. Feeling guilty about the time spent with family,
ii. Receiving support from the family,
iii. Having time for personal life,
iv. Having time to socialize with friends,
v. Finding time to do everything that had to be done,
vi. Feeling guilty about housework.

e. NEGATIVE SELF PERCEPTION

i. Concern regarding business failure,
ii. Worry about the competition,
iii. Enjoyment of work,
iv. Ability to communicate.

f. OTHER

i. Encountering government and red tape.

9. The above data represents a substantive finding. Many barriers that had been previously associated in other studies as gender related, are not supported by this study. When two samples of similar male and female Albertan entrepreneurs were compared many of the barriers that have been typically related to sex did not emerge. Notably financial problems, negative

effects on personal and family relationships, previous training and some aspects of negative self perceptions were identified as problems by **both** female and male entrepreneurs.

10. Significant variance between female and male responses was discovered in 14 areas. Categorizing them according to the types of barriers identified in the literature, these include:

    a. **NEGATIVE SELF - PERCEPTION** - Women rated themselves as **less** confident than men in the following personal areas:

        i. Negotiating,
        ii. Assertiveness,
        iii. Certainty of businesses success,
        iv. Problem solving,
        v. Decision making,
        vi. Stress management.

b. BUSINESS TRAINING AND EXPERIENCE - Women rated themselves as less capable in the following business skills:

i. Handling finances,
ii. Marketing the product/service,
iii. Ability to deal with customers,
iv. Understanding legal matters,
v. Ability to handle staff,
vi. Previous experience in business.

c. SUPPORT AND INFORMATION NETWORKS - Women were more aware of:

i. Government financial assistance available to entrepreneurs.

d. OTHER - Women felt less need to draw money from their business.

11. Multiple regression analysis was employed to determine what background variables could explain the variance between female and male response. Of the 14 statements in which there was significant variance, the gender factor was an explanatory variable in only 8.

a. **STATEMENTS IN WHICH GENDER WAS AN EXPLANATORY VARIABLE**

i. Negotiating,
ii. Ability to handle finances,
iii. Ability to market product/service,
iv. Problem solving,
v. Decision making,
vi. Awareness of government financial assistance,
vii. Ability to handle staff,
viii. Stress management.

b. **STATEMENTS IN WHICH GENDER WAS NOT AN EXPLANATORY VARIABLE**

i. Assertiveness,
ii. Confidence business would succeed,
iii. Ability to deal with customers,
iv. Understanding legal matters,
v. Experience in running a business,
vi. Need to draw money from business.

12. The above notwithstanding it is important to note that the highest cumulative explanation of variance by background variables was 29.8% and the lowest was 4.5%. In other words, while there were variances in responses between males and females, background variables that could be normally

expected to explain the variance such as previous experience, type of business, stage of business development, age of respondent, amount of money invested, education level, location of business (urban/rural), and gender of respondent, did not have any important explanatory value at all. The perceptions that Albertan entrepreneurs develop about barriers to their business seem to emerge from unique personal circumstances and experiences. The gender of the Albertan entrepreneur appears to be an insignificant background variable in the development of these perceptions about barriers.

13. Two focus groups composed of women entrepreneurs representing a cross section of types and stages of business were held in Calgary and Edmonton. While more anecdotal material was retrieved which was consistent with much of the findings in the literature the overall conclusions from these two groups were:

    a. The women confirmed that it was unclear whether the problems they had faced had to do with being a women or simply being an entrepreneur.

b. The women faced the severest problems in the area of financing including the issue of requirement for co - signators. Nonetheless this may be a factor of insufficient security for a loan rather than a barrier unique to women.

c. Sexual discrimination was not a significant problem except in dealing with other countries which have a male dominant culture, and in the manufacturing field which is largely male dominated.

In retrospect, the study would have been enhanced had a similar male focus group been conducted in order to compare results. Nonetheless, the female participants tended to recognize that the barriers they were discussing may not be gender based but simply relating to the fact that they were entrepreneurs.

PRIMARY RESEARCH AMONG PROVIDERS OF SUPPORT (Section 7.0)

14. Interviews were conducted with 52 persons representative of providers of technical, professional, and financial support to small businesses in Alberta. These included 15 representatives from financial institutions and 37 general providers of support including business development officers, professionals (accountants, attorneys), government business analysts, small business trainers and business incubator

directors. Their perceptions regarding barriers to entrepreneurs and women in particular are as follows:

a. BARRIERS FACED BY ENTREPRENEURS IN GENERAL:

i. Financial, e.g. insufficient capital and collateral planning,
ii. Business knowledge, e.g. lack of understanding of marketing, planning, networking,
iii. Personal, e.g. balancing work/family, low confidence,
iv. Specific skills, e.g. lack of accounting, staff management, legal.

b. BARRIERS PERCEIVED AS UNIQUE TO WOMEN

i. Financial, e.g. co - signators, no credit rating,
ii. Personal, e.g. discrimination, lack of assertiveness, limiting self vision,
iii. Business, e.g. lack of experience, networks, business skills.

The perception of providers of support is that women entrepreneurs face the normal set of barriers encountered by entrepreneurs along with added dimensions that men do not face.

15. Of the 52 providers of support, 15 indicated they provided special programs or services for women entrepreneurs including videos, special programs, role models and matching women applicants to female loan officers. Notwithstanding the identification of barriers (point 14 above) and some special approaches, the predominant reaction among providers of support was that men and women are equal in business and women did not require special treatment. Presumably the barriers identified as unique to women, in the opinion of providers, are items that women had to overcome themselves or perhaps secondary to normal barriers faced by entrepreneurs.

REVIEW OF EXISTING PROGRAMS

16. It was the intent of this study to compare barriers unique to women with programs targeted at women in order to determine if any special programs were required. However, since significant barriers unique to Albertan women did not emerge from this study, this section was devoted to recommendations regarding existing entrepreneurial programs.

    a. Programs targeted at women entrepreneurs as a special group are fewer than in the past and officials who were interviewed indicated from their experience that women favoured programs aimed at entrepreneurs in general.

b. Small businesses support programs in Alberta sponsored by or initiated by government (e.g. training, counselling, financial assistance) should be aimed at assisting entrepreneurs in general to overcome the various barriers identified in this study. There appears little need for a special women's stream since the barriers they encounter can be adequately addressed in general programs.

Nonetheless encouragement could be provided to any private sector initiatives which sponsor or create associations of female entrepreneurs along the lines of NWET and AWED and BOW. (See Section 5.o for details of these programs).

Such associations could promote:

i. Provincial wide networking,
ii. Mentoring,
iii. Cooperation with other organizations (particularly business women's organizations in North America)
iv. Information gathering and dissemination,
v. Promotion of female role models,
vi. Annual provincial conferences,
vii. Research projects,
viii. Advocacy.

GENERAL

17. It cannot be over emphasized that the most important conclusion of this study is that the barriers to entrepreneurship in Alberta as perceived by entrepreneurs in business do not seem to be gender - related, contrary to the findings of some of the research literature in this area. The measure of comparing highly similar female and male entrepreneurial samples in Alberta provide sufficient new information which can have an important impact on policy development and the overall advancement of theories and models of entrepreneurship in Alberta.

Notwithstanding that significant barriers unique to women did not emerge from the study, obstacles were still identified. Women rated themselves less confident in personal skills and attitudes. The area of negative self perception emerged as the main set of perceived barriers. Such deficiencies seem to emerge from the lack of experience in small business and lack of early socialization into roles of entrepreneurs.

As more women enter the field of small business and gain more experience in operating their own businesses the problem of negative self perception should diminish. Nothing succeeds like success. However, what has emerged, particularly in the United States are private sector initiatives or non - profit organizations which promote women business ownership. The encouragement of such networks appears to be the chief method by which the advancement of women entrepreneurs can be achieved.

While it is important that such networking be undertaken and supported by women entrepreneurs, the Provincial Government can play a role in encouraging the development of and nurturing initiatives in this area. Specially, the government can:

1. Gather and distribute information regarding the various women's networking systems identified in this study,

2. Identify and encourage Albertan women entrepreneurs who might take a leadership role in indicating local network systems.

3. Determine the future plans of existing Canadian national private sector organizations, such as the Canadian Association of Woman Business Owners, Canadian Associates of Women Executives and Entrepreneurs, Home Business Women's Network and Canadian Federation of Women Entrepreneurs, to encourage more attention to activities in Alberta.

4. Support the launching of any Alberta wide organizations.

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DEPARTMENT OF
ALBERTA ECONOMIC DEVELOPMENT AND TRADE

I.S.B.N. # 0-7732-0630-2

REPORT

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DEPARTMENT OF
ALBERTA ECONOMIC DEVELOPMENT AND TRADE

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August 1990

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1.0 EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

This study, commissioned by the Alberta Department of Economic Development and Trade, was undertaken to research barriers facing women in business relative to those of men in business and to identify any significant barriers unique to women. The study covered Alberta and conclusions are relevant to the Province but may not apply elsewhere. The study included a comprehensive set of objectives including review of the literature, examination of female participation rates in business organizations, review of programs targeted at women entrepreneurs, primary research directed at women entrepreneurs with a male entrepreneur control group, and primary research directed toward providers of business support to women entrepreneurs. Following are a summary of results.

REVIEW OF THE LITERATURE (See Section 3.0)

1. A total of 75 articles and documents were reviewed. The methodology of most is weak. Only one study compared similar samples of male and female entrepreneurs. Seven categories of barriers for women entrepreneurs were identified.

    a. **FINANCING** - e.g. collateral requirements, higher interest rates for women and requirement for co-signers.

    b. **SUPPORT AND INFORMATION NETWORKS** - e.g. lack of appropriate information, lack of contacts.

c. TRAINING AND EXPERIENCE - e.g. less work and business experience, lack of appropriate entrepreneurial and management training.

d. EFFECTS ON PERSONAL AND FAMILY RELATIONSHIPS - e.g. possible role conflict between home and business obligations.

e. SELF PERCEPTION - e.g. negative self perceptions such as low self-esteem, lack of confidence.

f. HOSTILE ENVIRONMENT - e.g. lack of respect from the male business community, overt discrimination.

g. OTHERS - e.g. government red tape, lack of female role models.

2. In general, because of methodological deficiencies, the literature is unclear as to whether the above barriers are unique to women, i.e. gender-related, or whether such barriers would also be perceived by men under similar circumstances.

PARTICIPATION RATES (See Section 4.0)

3. Data regarding participation rates of Albertan women in business organizations and programs was insufficient to draw strong conclusions. Organizations rarely kept figures long enough or in a form by which male and female membership could be distinguished. Because of deficiencies in the data, trends could not be discerned.

4. Of the data available current participation rates of women for 1990 varied between 11% and 38% (rounded off). The lowest rates occurred with Chambers of Commerce and among financial institutions. The highest occurred with government and post-secondary educational institutions. Again, however, the inadequacies of the data bases initiate against drawing conclusions.

PROGRAMS TARGETED AT WOMEN (See Section 5.0)

5. There are few publicly funded programs specifically for women entrepreneurs. Officials generally indicated no intent to initiate such programs because little need or desire has been expressed by women for special programs.

6. Female entrepreneurs largely consider their best avenue of development lie in main stream programs and organizations. However several privately initiated women based programs exist which focus mainly on networking, mentoring and information dissemination. The growing membership in these suggest an effective response to a need.

PRIMARY RESEARCH AMONG WOMEN (See Section 6.0)

7. A total of 718 questionnaires were distributed to similar samples of female and male entrepreneurs. Both groups were asked to respond to neutrally worded statements using a five point Likert scale. The response rate was 36%

8. Test of correlation found no significant differences between male and female responses in the following eighteen areas. (These are listed according to the categories developed in the review of the literature).

    a. **FINANCIAL**

        i. Borrowing money from the bank,
        ii. Obtaining credit from suppliers,
        iii. Raising money from investors.

    b. **SUPPORT AND INFORMATION NETWORKS**

        i. Awareness of non-financial government support,
        ii. Knowing people from whom they could obtain advice.

c. **LACK OF BUSINESS MANAGEMENT TRAINING AND EXPERIENCE**

   i. Planning the business,
   ii. Adequate education.

d. **NEGATIVE EFFECT ON PERSONAL AND FAMILY RELATIONSHIPS**

   i. Feeling guilty about the time spent with family,
   ii. Receiving support from the family,
   iii. Having time for personal life,
   iv. Having time to socialize with friends,
   v. Finding time to do everything that had to be done,
   vi. Feeling guilty about housework.

e. **NEGATIVE SELF PERCEPTION**

   i. Concern regarding business failure,
   ii. Worry about the competition,
   iii. Enjoyment of work,
   iv. Ability to communicate.

f. **OTHER**

   i. Encountering government and red tape.

9. Significant statistical variance between female and male responses was discovered in fourteen areas:

a. NEGATIVE SELF - PERCEPTION - Women rated themselves as less confident than men in the following personal areas:

i. Negotiating,
ii. Assertiveness,
iii. Certainty of businesses success,
iv. Problem solving,
v. Decision making,
vi. Stress management.

b. BUSINESS TRAINING AND EXPERIENCE - Women rated themselves as less capable in the following business skills:

i. Handling finances,
ii. Marketing the product/service,
iii. Ability to deal with customers,
iv. Understanding legal matters,
v. Ability to handle staff,
vi. Previous experience in business.

c. SUPPORT AND INFORMATION NETWORKS - Women were more aware of:

i. Government financial assistance available to entrepreneurs.

d. OTHER - Women felt less need to draw money from their business.

10. Multiple regression analysis was employed on the fourteen statements to determine what background variables could explain the variance between female and male responses. The highest cumulative explanation of variance by background variables was 29.8%. In other words, while there were variances in responses between males and females, background variables that could be normally expected to explain the variance (such as previous experience, type of business, stage of business development, age of respondent, amount of money invested, education level, urban or rural setting, gender of the respondent) did not have any important explanatory value at all.

11. Since gender of the respondent was the focus of this study and this variable had no important explanatory value in the explanation of variance, it is the primary conclusion of this study that perceptions that Albertan entrepreneurs develop about barriers to their business seem to emerge from unique personal circumstances and experiences. The gender of the Albertan entrepreneur appears to be an insignificant background variable in the development of these perceptions about barriers.

12. Two focus groups composed of women entrepreneurs representing a cross section of types and stages of business were held in Calgary and Edmonton. While anecdotal material was retrieved, both groups confirmed that it was unclear whether the problems they had faced had to do with being a women or with simply being an entrepreneur.

PRIMARY RESEARCH AMONG PROVIDERS OF SUPPORT (See Section 7.0)

13. Interviews were conducted with 52 persons representative of providers of technical, professional, and financial support to small businesses in Alberta. These included 15 representatives from financial institutions and 37 general providers of support including business development officers, professionals (accountants, attorneys), government business analysts, small business trainers and business incubator directors. Their perceptions regarding barriers to entrepreneurs and women in particular are as follows:

a. BARRIERS FACED BY ENTREPRENEURS IN GENERAL:

i. Financial, e.g. insufficient capital and collateral planning,

ii. Business knowledge, e.g. lack of understanding of marketing, planning, networking,

iii. Personal, e.g. balancing work/family, low confidence,

iv. Specific skills, e.g. lack of accounting, staff management, legal.

b. BARRIERS PERCEIVED AS UNIQUE TO WOMEN

i. Financial, e.g. co - signatories, no credit rating,

ii. Personal, e.g. discrimination, lack of assertiveness, limiting self vision,

iii. Business, e.g. lack of experience, networks, business skills.

The perception of providers of support is that women entrepreneurs face the normal set of barriers encountered by entrepreneurs along with added dimensions that men do not face.

14. Of the 52 providers of support, 15 indicated they provided special programs or services for women entrepreneurs including videos, special programs, role models and matching women applicants to female loan officers. Notwithstanding the identification of barriers and some special approaches, the predominant reaction among providers of support was that men and women are equal in business and women did not require special treatment. Presumably the barriers identified as

unique to women, in the opinion of providers, are items that women had to overcome themselves or perhaps secondary to normal barriers faced by entrepreneurs.

RECOMMENDATIONS (See Section 8.0 and 9.0)

15. As indicated in the primary research among women, no significant gender related differences between female and male entrepreneurs in Alberta emerged. Many of the barriers that were identified were for the most part, obstacles faced by small business people regardless of their sex. Therefore it is the conclusion of this study that they are no major barriers to Albertan business women that clearly needs to be addressed by special programs or approached.

    Not withstanding that significant barriers unique to women did not emerge, some obstacles were still identified in the general area of personal skills and attitudes (e.g. self confidence, assertiveness, etc.). Such perceived barriers seem to emerge from the lack of experience in small business and lack of early socialization into the roles of entrepreneurs.

    As more women enter the field of small business and gain more experience in operating their own business the problem of negative self perception should diminish.

16. An important phenomenon has been the emergence of private sector initiatives which help promote women business ownership. The encouragement of such networks appears to be the chief method by which advancement of women entrepreneurs can be achieved.

While it is important that such networking be undertaken and supported by women entrepreneurs, the Provincial Government can play a role in encouraging the development of and nurturing initiatives in this area.

Specially, the government can:

a. Gather and distribute information regarding the various women's networking systems identified in this study;

b. Identify and encourage Albertan women entrepreneurs who might take a leadership role in initiating local network systems;

c. Determine the future plans of existing Canadian national private sector organizations, such as the Canadian Association of Woman Business Owners, Canadian Associates of Women Executives and Entrepreneurs, Home Business Women's Network and Canadian Federation of Women Entrepreneurs, to encourage more attention to activities in Alberta.

d. Support the launching of any Alberta wide organizations.

2.0 OVERVIEW

2.0 OVERVIEW

2.1 PURPOSE OF STUDY

This research project about barriers faced by Albertan women in business was commissioned by Alberta Economic Development and Trade. The study was conducted by New Ventures Associates Ltd. from March 12, 1990 to April 12, 1990.

The overall purpose of the project as set out in the terms of reference was:

> To fully research barriers facing women in business relative to those of men in business in Alberta and identify any significant barriers unique to women.

2.2 OBJECTIVES

The overall goal was achieved through the following objectives as set out in the terms of reference:

1. Review documented literature to identify needs, issues and concerns facing various groups of women at each stage in the business development process from awareness/motivation through pre-startup, startup, early growth, maturity/decline and expansion.

2. Assess the participation rate of Albertan women over the last ten years in both publicly and privately sponsored business support programs and services including:
   a) Management training courses, conferences, seminars and workshops;
   b) Membership in business organizations, and;
   c) Startup and expansion financing.
3. Review and evaluate any publicly and privately sponsored business support programs and services (recently ceased or currently operating, as well as, proposed) in Alberta, Canada, U.S.A. and Europe, which are targeted specifically at women.
4. Conduct new, primary research on women, using men as the control group, to determine real and perceived barriers to the development of their businesses, at each stage of the business development process.
5. Conduct new, primary research on the providers of professional, technical and financial business support services to determine their views on the real and perceived barriers to business development facing their female and male clients.
6. Present the foregoing in terms of the needs, issues and concerns that are unique to women relative to programs and services available.

2.3 METHODOLOGIES

The objectives were achieved through a wide range of methodologies. Each section of this report treats each objective separately and explains the methodologies used in detail. The purpose of this section is to provide a brief overview of the approaches used in this study. These are summarized in the following table.

OBJECTIVES	METHODOLOGIES
1. Review of Literature.	collected empirical articles and reports relating to female entrepreneurship. Developed categories of barriers and assessed literature according to frequency that barriers are mentioned and the nature of the findings. Prepared abstracts of relevant works.
2. Participation Rates.	Contacted organizations which provide business support services, entrepreneurial training programs, or offer business conferences, and acquired records of membership and registration. Reviewed membership/ registration lists and analyzed for participation rates of female business people.

3. Business Support Service Targeted At Women.	Contacted appropriate persons in each jurisdiction at the national, regional, and local levels of government in Canada, United States, and United Kingdom. Conducted telephone surveys.
4. Primary Research Among Women In Business.	Prepared and distributed a mailout questionnaire to a sample of women in business. Prepared and distributed a mailout questionnaire to a statistically similar sample of men in business. Conducted focus groups of females in business. Subjected data to test of correlations and to multiple regression analysis.
5. Primary Research Among Providers of Support.	Identified types of organizations that provide support including financial institutions, post-secondary education institutes, business development centres, government agencies, business incubators and private sector professionals. Prepared telephone survey questionnaire. Conducted telephone surveys.
6. Comparison Of Barriers To Existing Programs.	Examined barriers identified in review of literature, primary research among, women, and primary research among providers of support. Evaluated existing business support programs and prepared recommendations.

The data on the last page represents a brief overview of the methodologies used in this study. As previously indicated, the detailed explanation of methodologies are treated separately in each of the following sections.

3.0 REVIEW OF THE LITERATURE

3.0. LITERATURE REVIEW

3.1 INTRODUCTION

The objective was to:

Review documented literature to identify needs, issues and concerns facing various groups of women at each stage in the business development process from awareness/motivation through pre-start-up, start-up, early growth, maturely/decline and expansion.

As in other relatively new areas of interest, the literature on barriers to women entrepreneurs has followed a natural course. It began as a sub-topic within a general area (women entrepreneurs) and has gradually grown to the point where articles are now focusing on specific barriers. However at the present time, the bulk of information on this topic still lies buried within articles and studies on broader issues related to self-employed women. In addition to problems associated with unearthing relevant work on the topic, there is also the problem of deciding how to deal with discussions in the literature which tend to obscure the line between empirical data and statements which are based on more subjective criteria. This review of the literature will attempt to resolve such problems while at the same time providing a comprehensive perspective of the information gathered to date.

3.2 METHODOLOGY

Beginning with a search of published and unpublished articles, studies and reports dating back to 1976, a decision was made to concentrate solely on empirical work (defined broadly enough to include primary and secondary sources).

A total of 75 articles, studies and reports were reviewed from which 37 were judged to have at least some portions which are relevant to the topic of this study. A bibliography of all articles reviewed is provided in Appendix 10.1. Abstracts of the 37 relevant documents are provided in Appendix 10.2. A summary of findings from these documents is provided in Appendix 10.3. Fifteen of the documents originated in Canada, nineteen in the United States and three in the United Kingdom. Seven general types of barriers to business entry and operation were identified. Each is discussed separately on the basis of relevant information found in the literature.

3.3 GENERAL REMARKS ON THE RESEARCH

Compared with most other areas of research, empirical studies on barriers to women entrepreneurs are still relatively few. However because the topic is of growing interest, information from these few pieces of research are constantly cited. This phenomenon applies to studies of women entrepreneurs in general and, as pointed out by Katherine Van Kooy in her review of the literature on this area,

> "... create(s) the impression of a more substantial body of knowledge than actually exists." (Van Kooy, 1986. P.4)

This criticism is even more valid when applied to the narrower field of research on barriers to women entrepreneurs.

Other criticisms of research into women entrepreneurs made by Van Kooy which also apply to the area of this study include:

1. **SIZE OF STUDY**: Many of the studies, particularly early American ones, used samples of 20 to 50 entrepreneurs which makes the statistical validity of such research highly questionable.
2. **SOURCE OF SAMPLE**: Because early researchers had difficulties identifying female entrepreneurs, they tended to rely on personal acquaintances, client lists and references for potential subjects. This led to considerable statistical bias. (Van Kooy, 1986, P.5)

In addition to these weaknesses in the research, little replication has been done so that tentative conclusions have not achieved stronger confirmation. One other criticism made by Van Kooy may no longer be as valid as those listed above. She points out that most research into women entrepreneurs was based on American experiences and questions the degree to which such findings are applicable to the Canadian situation. (Van Kooy, 1986, P.7). As our literature review indicates, many Canadian studies have now been done so that such comparisons have, at least to some degree, been made.

3.4 CATEGORIES OF BARRIERS

Barriers to business entry and operation as discussed in the literature seem to fit into the following areas:

- Financing,
- Support and information networks,
- Lack of business/management training and experience,
- Negative effects on personal and family relationships,
- Negative self perceptions,
- Hostile environment,
- Other barriers; including lack of useful services, government red tape, and lack of role models.

It should be emphasized that these seven categories are not in all cases mutually exclusive and are used simply as a means of focusing and facilitating conclusions drawn from the literature.

3.5 FINANCING

Schwartz (1976) was one of the first researchers to suggest that women entrepreneurs felt that lending institutions discriminated against them, particularly during the start-up stage. Although Schwartz carefully phrased her findings to make it clear that this was a perception held by respondents, subsequent studies omitted this importance nuance. It soon became common to state categorically that financial institutions did discriminate against women entrepreneurs (for example, Hisrich & Brush, 1984, who, citing Schwartz, state: "... their (women entrepreneurs) major problem during start-up was credit discrimination.") Although Schwartz's respondents recognized that financing might also be a major barrier for male entrepreneurs, they felt it was more of a barrier for them. This problem of not being able to compare even perceptions of financing discrimination with male counterparts soon became endemic to the literature. As pointed out by Catherine Swift in a recent study,

> .... virtually all of these studies were based on the results of interviews with female business owners and other anecdotal evidence, and very few also included a group of male business owners as a "control". Accordingly, the conclusions of these earlier studies tended to be subjective, based on the perceptions of the women interviewed." (Catherine Swift, 1988)

In total, twenty studies addresses financial issues. Five involved small sample sizes with no male control group and are not summarized in this study because their findings are not reliable. These five are listed in Appendix 10.3.

Ten studies used larger sample sizes but did not have male control groups while the remaining five used large sample size and did compare female and male perceptions. The chief findings of each of these studies are summarized in Appendix 10.3.

3.5.1 SUMMARY: FINANCING PROBLEMS

While there is great deal of anecdotal and perceptual information regarding difficulties encountered by women in financing their businesses, an assessment of the literature leads one to question the degree to which such statements have validity and to ask, if such problems exist, whether they are gender originated or the result of other factors.

It is, for example, common knowledge that small businesses in general experience difficulties raising money and that new businesses in particular are hard to finance. Further, there is evidence that the financing ability of a firm can also be related to its sector.

This study draws the following tentative conclusions from the literature review:

1. Early stage businesses are indeed the most difficult to finance and problems related to financing are reduced, not eliminated, as a firm matures.
2. Women-operated businesses located in rural areas and those in non-traditional sectors experience more difficulties obtaining financing than those in urban areas and in sectors more traditionally occupied by women.
3. There appears to be some gender discrimination by financial institutions in regard to collateral requirements, interest rates related to operating lines of credit and requirements for co-signators.
4. Women's perceptions regarding financing difficulties based on gender discrimination are very much bimodal. There is significant support for both the view that women's financing problems are no different than men's and that women entrepreneurs are indeed subjected to sexual discrimination by financial institutions.
5. There does not seem to be any gender differences in terms of an entrepreneur's ability to raise capital. Personal funds and funds from friends and relatives are the primary sources for both men and women entrepreneurs. Women's inability to tap venture capital funds appears to be mainly a function of the type and scope of business.

3.6 SUPPORT AND INFORMATION NETWORKS

Support and information networks, for the purposes of this review, are defined as all formal and informal contacts which are (or can be) used by entrepreneurs to obtain assistance, advice and perhaps most important, personal support. Family networks were not included since they are dealt with separately.

Ten studies addressed this category. A summary of chief finding of each is provided in Appendix 10.3.

3.6.1 SUMMARY: SUPPORT AND INFORMATION NETWORK PROBLEMS

The literature suggests that women entrepreneurs recognize their need for a strong information and support network. While little comparable data are available for male entrepreneurs, women's need for information and support is understandable since they tend to have less prior business experience and fewer contacts in the business world.

There was some concern (particularly among Quebec women) that they had difficulty penetrating male-dominated networks while women in Manitoba and British Columbia respondents also felt that lack of appropriate business information was the second most important problem area (after financing). There was some consistency regarding the usefulness of information sources. Accountants and lawyers were generally perceived as good sources of information and advice. On the other hand, government programs and services received for the most part negative comments. Manitoba respondents felt government programs were not relevant to women's needs while British Columbia and Ontario respondents seldom used them. Friends and business acquaintances were also positively perceived as sources of support and information.

3.7 LACK OF BUSINESS MANAGEMENT TRAINING AND EXPERIENCE

Many general studies of small business owner/managers comment on their deficiencies in formal management training and experience. It should therefore come as no surprise that the literature on women entrepreneurs should also frequently mention this problem area. However because this problem is endemic to small business as a whole, analysis of the literature is particularly affected by the lack of comparative studies of male and female subjects.

Of the studies reviewed in this portion, only two used and analyzed male and female samples.

Thirteen studies addressed this category. The summary of chief findings of each is provided in Appendix 10.3.

3.7.1 SUMMARY: TRAINING AND EXPERIENCE

Most studies indicate that women, during the start-up stage of their business, perceive themselves as lacking management training and experience. Such feelings have a certain amount of empirical support; most women entrepreneurs have not been in business for themselves before and many have little management experience (Quebec may be an exception in this case). While women entrepreneurs generally have a higher level of education than their male counterparts, their programs of study tend to be less business-related than those of male entrepreneurs. As might be expected, lack of confidence in their management abilities declines the longer they are in business.

Specific management areas which seem to be of greatest concern are: employee relations (recruiting and retaining staff and delegating responsibilities), financial management, marketing and planning. However, the literature does not provide sufficient evidence as to whether these deficiencies are unique to women or whether they relate to entrepreneurs in general. The United Kingdom study which does compare male and female samples, suggests that males have significantly more management training and experience but does not delve into the specific areas where differences may be found.

3.8 NEGATIVE EFFECTS ON PERSONAL AND FAMILY RELATIONSHIPS

Separate from business networking, studies identified a problem with role conflict among women between their role as an entrepreneur and their home obligations. Fifteen studies addressed this issue. Chief findings of each are summarized in Appendix 10.3.

3.8.1 SUMMARY: NEGATIVE EFFECTS ON PERSONAL AND FAMILY RELATIONSHIPS

The literature regarding this particular barrier is very consistent; almost all studies indicate that women perceive a conflict between their home and business-related obligations. Several studies provide empirical support for such perceptions particularly relating to hours of work and sharing of home responsibilities with significant others. What is not clear is whether this conflict is indigenous only to women entrepreneurs or also to all working women with family responsibilities.

A few studies report that spousal relations have actually improved after women became business owners.

3.9 NEGATIVE SELF PERCEPTIONS

This barrier is difficult to define. The intention is not to include relatively objective assessments of background, training and experience, which have been dealt with previously, (such as "my college education did not adequately prepare me for running a business") but to focus more on personal attitudes such as when women see themselves as not having the "appropriate" entrepreneurial characteristics or attitudes towards business.

Seven studies address the category of self perception. A summary of chief findings of each is provided in Appendix 10.3.

3.9.1 SUMMARY: NEGATIVE SELF-PERCEPTIONS

There is conflicting evidence regarding this barrier. Some studies report that respondents see themselves as having personal characteristics which negatively affect their business activities while others could not find any gender-related differences in personal characteristics. There is some indication that rural, native and immigrant women may be more affected by their perceived personal deficiencies than the population as a whole.

While not listed in the summary of findings, it is worth noting that some authors (Stevenson, Goffee and Scate) argue that the assessment of women's motivations, characteristics and social psychological factors is biased because questions or statements used in survey instruments are drawn from male entrepreneurs' experience which may be very different from the experiential background of women.

3.10 HOSTILE ENVIRONMENT

This barrier is broadly defined to include such factors as: lack of respect by the male business community, overt societal discrimination and social conditioning. Eight studies addressed this category. A summary of chief findings is provided in Appendix 10.3.

3.10.1 SUMMARY: HOSTILE ENVIRONMENT

The research in this area suggests that some women feel there are negative societal factors which inhibit women entrepreneurs. Since it is difficult to empirically determine such factors, the evidence is primarily anecdotal but points to sexual stereotyping particularly in the educational system. Other anecdotal evidence suggests that women in non-traditional types of businesses are especially vulnerable to such stereotyping.

3.11 OTHER BARRIERS

Included in this category are a number of problem areas such as: lack of role models, lack of useful services and government red tape. These have been grouped together only because they are dealt with relatively infrequently in the literature. There were five studies that identified other barriers and the findings are summarized in Appendix 10.3.

3.11.1 SUMMARY: OTHER BARRIERS

Two studies reported problems with government red tape and inefficiencies; two identified a lack of female role models as a problem and one suggested that government services to women entrepreneurs were inadequate.

4.0 PARTICIPATION RATES

4.0 PARTICIPATION RATES

4.1 INTRODUCTION

The objective was to:

Assess the participation rate of Albertan women over the last ten years in both publicly and privately sponsored business support programs and services including:

1. Management training courses, conferences, seminars and workshops,
2. Membership in business organizations, and:
3. Start-up and expansion financing.

4.2 METHODOLOGY

The basic approach involved a three fold process:

1. Identify appropriate organizations,
2. Retrieve data regarding membership/registration/contacts,
3. Calculate participation rates.

A review of directories and telephone books produced an initial list of organizations that potentially offered courses, workshops and conferences. The types of organizations contacted included:

1. Chambers of Commerce - For the urban and six selected rural centres (The rural centres corresponded to the ones selected as target areas for the mail out survey (See Section 6.0);
2. Post-secondary educational institutes offering entrepreneurial or small business training;
3. Provincial government departments and agencies (such as Alberta Opportunity Company, and the regional offices of Economic Development and Trade);
4. Federal Government Departments (such as, Federal Business Development Bank, and Women's Programs, Secretary of State);
5. Convention Authorities and Bureaus;
6. Women's Programs and Organizations (such as the Canadian Congress for Learning Opportunities for Women);
7. Business organizations.

Each was contacted and the general terms of reference were explained. Inquiries were made regarding the type of records kept and about knowledge of other organizations that offered programs.

Several key problems in data retrieval soon became evident in the replies:

1. In many instances, organizations did not keep records past the current year. No records were found that covered more than three years;

2. In many instances the data were in their raw form and not easily accessible without physically counting the material. Such organizations simply did not have the labor available within the time constraints of the study to retrieve such data;
3. In some cases, data was not recorded according to gender;
4. In the case of post-secondary education institutes, records kept for general management training included many participants who were clearly corporate employees. Thus information from this source was based only on programs, courses and workshops that clearly related to small business.
5. In one instance (Federal Business Development Bank Conferences) the computers of the record keeping institute had crashed and the data appeared to be lost.

Because of these difficulties with the data, participation rates reflect only recent years.

A second major source of information relating to this objective involved the interviews with providers of support (See section 7.0 below). Fifty two interviews took place among representatives of organizations that provide some measure of service to small businesses. This number included fifteen financial institutions.

The questionnaire was constructed to ask about participation by women (See Appendix 10.9 for questionnaire). In particular the financial institutions were asked whether participation rates were more, less or the same over the past ten years. Information from these sources was tabulated.

4.3 ANALYSIS OF RESULTS

The participation rates for each of the sources is provided separately.

4.3.1. THE RESULTS FOR CHAMBERS OF COMMERCE

The results for Chamber of Commerce were as follows:

CHAMBERS OF COMMERCE	TOTAL MEMBERSHIP	FEMALE	PERCENT
Edmonton	2321	225	9.7%
Calgary	4596	520	11.3%
Brooks	271	42	15.5%
High River	133	30	22.5%
Vermilion	105	28	26.7%
Red Deer	547	59	10.8%

(Statistics not available for Grande Prairie, Lethbridge, Lac La Biche)

Participation rates in the urban centres are consistent with each other, and the rural centres show a higher rate. However, there are several factors which may explain the differences, such as:

1. The female count for urban centres reflected only names that were clearly distinguishable as belonging to women. Some female participants may not be recorded if they provided initials only or had a name not readily identifiable as female.
2. Persons reporting the rural counts observed that they were personally aware that many of the female registrants were part of a husband-wife partnership and it was common practice for the wife to serve as the Chamber representative.
3. Persons reporting the urban counts indicated that many of the female registrants were not business owners or operators, but representatives from larger firms.

Because of these factors, the results of participation among members of Chambers of Commerce are inconclusive.

4.3.2 POST-SECONDARY EDUCATION INSTITUTES

The results for post-secondary educational institutes are set out below. As mentioned above figures were used only where the program or course could be clearly identified as dealing with small business.

INSTITUTE	TOTAL ENROLMENT	FEMALE	PERCENT
Northern Alberta Institute of Technology. (Centre For Entrepreneurship) 1986-1989.			
- Full-Time Programs	233	77	33%
- Part-Time Courses	678	245	36%
- YMCA Program	75	18	24%
TOTAL	986	340	34%
Southern Alberta Institute of Technology. (Entrepreneurial Centre) 1986-1989.			
- All Programs and Courses	200	64	30%
Lethbridge Community College (Entrepreneur Centre) 1986-1989.			
- All Programs and Courses	91	35	38%

Grant MacEwan Community College reported that they did not keep statistics for part-time courses according to gender. Representatives from University of Calgary's Centre for New Venture Development indicated that they did not keep statistics according to gender but provided estimates. They estimated that approximately 20% of the Owner Manager Program were female and that about 10% of the Entrepreneurial Programs for MBA students were female.

The participation rate from the three entrepreneurial programs as cited in the table above show rates ranging from 30%-38%.

4.3.3 CONFERENCES & WORKSHOPS

Acquiring relevant data for conferences and workshops encountered the greatest difficulty. Results of interviews are as follows:

1. A representative from the Successful Women's Conference was interviewed and reported that figures were not available for each year separately. However it was reported that attendance had been steadily declining from 345 in 1983 (first conference) to 203 in 1989.
2. Another on-going conference, The Fifth Annual Conference On Women, was reported as geared toward corporate employees and thus not relevant to this study.
3. Both the Edmonton and Calgary Tourist and Convention Bureaus indicated that they did not keep statistics on conference registrations.

4. The Federal Business Development Banks reported that all their conferences statistics were recorded in the computers at Grant MacEwan Community College, however the computers had lost the information and they were currently trying to retrieve the data.
5. Conference statistics were retrieved from the Alberta Opportunity Company which reported that the total attendance at the Entrepreneur's Conference (Calgary 1989) and the Enterprise 90' Conference (Grande Prairie 1990) was 527 of which 168 were female. This calculated to 32%

4.3.4 ALBERTA ECONOMIC DEVELOPMENT AND TRADE

Alberta Economic Development and Trade reported that statistics were kept for contacts made by business counsellors in the Small Business Division.

Such contacts included meetings and telephone calls. The results are as follows:

	MONTH	% FEMALE	AVERAGE PERCENTAGE OVER 7 MONTH PERIOD
1988	May	-38.3	38.67%
	June	-40.4	
	July	39.1	
	August	37.1	
	September	38.1	
	October	36.2	
	November	41.5	
1989	December	33.2	36.48%
	January	34.7	
	February	39.6	
	March	37.7	
	April	36.5	
	May	35.9	
	June	37.8	
	July	39.9	39.1 %
	August	37.3	
	September	41.6	
	October	40.1	
	November	34.7	
	December	39.2	
1990	January	40.9	

TOTAL AVERAGE PERCENT = 38.08

The figures indicate a stable rate of contact with no trend emerging.

4.3.5 RESULTS FROM INTERVIEWS

The final source of data came from the interviews with providers of support. The total number interviewed was 52 of which 15 were financial institutions. Results were as follows:

CONTACT RATE - FOR ALL PROVIDERS (N=52)

1.	Average number of women clients per month:	23.24 (n=50)
	Average female percent total clients:	28.60 (n=51)
	Average percent in start-up stages:	62.70 (n=49)
	Average percent operating:	33.90 (n=49)

CONTACT RATE FOR ALL FINANCIAL INSTITUTES (N=15)

Average number of women clients per month:	27.13 (n=15)
Average percent of total clients:	18.60 (n=15)
Average percent in start-up stages:	52.60 (n=14)
Average percent operating:	38.80 (n=14)

ESTIMATED RATE OF CHANGE FOR FINANCIAL INSTITUTES (N=15)

1. Number of women seeking start-up or expansion financing:

No response	1	
Same	2	14%
More	12	86%
More: 10%-15%/Yr.	3	
20%/Yr.	1	
No response	8	

2. Presentation Quality:

No response	1	
Same	7	50%
Better	7	50%

The figures indicate that in the average contact rate for all providers was 28.6% while the contact rate for financial institutions was significantly lower at 18.6%. The majority of contacts in both cases were women in the start-up stages.

The financial institutes indicated an increase in the number of women seeking start-up or expansion financing. Twelve of fifteen estimated increased which ranged from 10% to 20%. However these figures are based on perception of the persons interviewed and not on recorded figures.

4.4 SUMMARY

Participation rates from the various sources are fairly consistent:

Urban Chambers of Commerce (804 females of 7464) = 10.77%
Rural Chambers of Commerce (100 females of 509) = 19.64%
Post Secondary Institutes (439 females of 1277) = 34.38%
Conferences (168 females of 527) = 31.89%
Economic Development & Trade contacts/average female May 1988 - February 1990 = 38.08%
Providers of Support = 28.60%
Financial Institutions = 18.60%

These figures are comparable to a report by Pat Thompson, ("Further Evidence of Rising Importance of Women Entrepreneurs in Canada." Canadian Federation of Independent Business, May 12, 1988), which studied the issue of female entrepreneurship by determining the number of female business proprietors filing income tax returns in 1980 and in 1985. The figures derived from Revenue Canada Taxation Statistics indicated for Alberta:

	NUMBER OF FEMALE RETURNS	TOTAL RETURNS	PERCENT
1980	13,880	48,392	28.68%
1985	17,087	50,018	34.16%

Participation rates as indicated in the summary table above are consistent with the percentage of female proprietors according to income tax returns.

Membership in urban Chambers of Commerce (Edmonton, Red Deer and Calgary) is significantly below the range of participation in other organizations. However, the problems encountered in retrieving data mitigates against drawing any strong conclusions.

The estimated percentage of women approaching financial institutions is low in comparison to other participatory rates. Some of this low rate may be explained by other factors:

1. Women may tend to start businesses requiring less capital. Survey results (See Section 6.0) indicated 31.7% women started under $10,000 compared to 25.7% men.
2. Women may tend to start more part-time businesses. The survey results (See Section 6.0) indicated a slight difference. The respondents indicated that 16.5% of the women started as a part-time business and 11.3% of the men started part-time.
3. Women may tend to start more home based businesses which generally requires less capital and operating costs. The survey results (See Section 6.0) showed that 16.7% of the

female owned businesses are currently home based while 12.0% of the male owned businesses are currently home based. However in response to the question of whether the business was started at home, 27.7% of males said yes and 24.3% of females said yes.

4. Women may tend to seek alternate sources of funding. While the survey shows that 23% of both men and women sought money from financial institutions, only 10% of the men received financing from friends & relatives while 18% of the women acquired financing from these sources.

5.0 PROGRAMS AND SERVICES TARGETED AT WOMEN

5.0 PROGRAMS AND SERVICES TARGETED AT WOMEN

5.1 INTRODUCTION

The objective was to:

Review and evaluate any publicly and privately sponsored business support programs and services (recently ceased or currently operating, as well as proposed) in Alberta, Canada, United States Of America and Europe which are targeted specifically at women.

5.2 METHODOLOGY

Following the terms of reference, a key issue was to distinguish programs specifically targeted at women from the many programs and services aimed at entrepreneurs in general.

In the past years programs to entrepreneurs have proliferated throughout North America and Western Europe and many parts of Asia as governments recognize the important contribution to economic development made by small business. In many cases such programs operate with clear parameters (such as business sector, size of business, stage of business development) or focus on a particular aspect of business (such as financing, marketing or, production). In very few cases, however, are initiatives restricted to or focused on the participant's sex.

In order to identify programs specifically targeted at women two criteria were used to asses programs and services:

1. The program/service had to focus solely on women;
2. The program/service had to have the start-up or operation of small business as its chief focus.

The initial phase of research involving contacting various sources by telephone. These sources included

1. Programs identified from the literature search;
2. Leading academics in Canada, United States, and United Kingdom who specializes in Women programs;
3. All government departments at the federal, regional and local levels in Canada, the United States, and the United Kingdom;
4. Women's organizations in Canada;
5. Libraries containing directories of business supports and training programs;
6. Post-secondary educational institutions.

All contacts were asked if programs or services were available that complied with the two criteria set out above. If the response was positive, further enquiries were made to identify the most appropriate person to interview.

5.3 CANADA

5.3.1. ALBERTA

1. No on-going programs or services funded by the provincial government are or have been focused solely on women entrepreneurs.
2. In 1987/88 the Department of Career Development and Employment funded a pilot project for training women who wished to become self-employed. Delivered through the Career Development Institute (an affiliate of Concordia College in Edmonton), a cohort of approximately 20 were provided with 24 weeks of in-class training which included selecting a business opportunity, undertaking market research and developing a business plan.
3. The Federal Business Development Bank offered special workshops for women including, "Women in Management", Winning Strategies For Women".
4. The Red Deer Business Development Corporation has offered "Women in Business" workshops as well as a presentation on women's business networking.
5. Three "Women In Business Conferences have been run in the province sponsored by the Federal Business Development Bank and various other government and educational organizations.

6. In 1988/89 the Career Development Institute operated a 24 week course for women wishing to start their own business. Funded through the Canadian Job Strategy Program of the Federal Department of Employment and Immigration, participants were women who had been unemployed for some time and included many who were on welfare.

7. In 1989/90 the Federal Business Development Bank offered a year long program for women, Community Business Initiatives Demonstration Project, which provided training and counselling to 40 women in the Calgary metropolitan region.

8. The Federal Business Development Bank tends to operate a long term training and counselling program for women entrepreneurs in Edmonton starting in September, 1990. The program will target women who have operated their business at least 2 - 3 years and includes 14 three hour workshops.

5.3.2. BRITISH COLUMBIA

1. British Columbia does not offer any services or programs specifically and solely for women entrepreneurs.

2. B.C. Women's Programs (funded by the Provincial Government) publishes a quarterly newsletter which may contain information relevant to women in business but also contains material on other subjects of interest to women.
3. The province also publishes a brochure entitled "Women In Business: How Do I Get Started?"
4. The same organization has also operated a mentorship program which matches women in business or in the professions with young women still in high school or re-entry women looking for career options.

5.3.3. SASKATCHEWAN

1. The Saskatchewan government does not offer services or programs specifically for women entrepreneurs.
2. "Women And Business" conferences, jointly sponsored by the provinces and the Federal Business Development Bank have been held in Regina, Saskatoon and Lloydminster.

5.3.4. MANITOBA

1. While a very broad and comprehensive range of programs and services are available for entrepreneurs in Manitoba, the province does not have any which are targeted specifically to women entrepreneurs.

2. The Mancin Entrepreneurial Project, sponsored by Canadian Job Strategy Program of the Federal Government, was a pilot project for women wanting to start their own businesses. The project had three options: a full time training program; a series of half day seminars; and an individualized business planning option. The full time program included three months of in-class training plus individualized support for an additional nine months.

3. Private sector initiatives include a number of women's organizations who, to varying degrees, focus on women in business. These include:

   a. **AURORA CLUB**: A group of business and professional women who meet in Winnipeg for networking and personal development purposes.

   b. **WOMEN BUSINESS OWNERS OF MANITOBA**: An organization for women who are presently in business or those who intend to start their own businesses. The purpose of the organization is to assist entrepreneurial women in developing their business skills and to develop support networks.

   c. **BUSINESS AND PROFESSIONAL WOMEN'S CLUB**: The Club's purpose is to assist women in obtaining further education and to develop networks.

5.3.5. ONTARIO

Starting in 1985, the Ontario Government ran a Business Ownership For Women Program for approximately four years. Because this program was one of the only initiatives in Canada focusing exclusively on women entrepreneurs, it will be discussed in detail.

The program involved seminars and conferences designed to help women either start a new business or expand an existing one. In addition, the program operated an awareness program aimed at young women in the public school system, provided network support and undertook some research and planning. From the start the seminars and conferences were very successful both in terms of attendance and comments and reactions of participants.

As a result of this success, the number of conferences was increased from four in the first year to seven in the second and seminars from ten to approximately fifty. By the Program's end in 1988 over 5,000 women had participated in at least one event. Follow-up studies showed that nearly thirty percent of women who had attended the program's events went on the start their own businesses.

In 1989 a review was conducted of the program which came to a number of conclusions and generated a number of recommendations.

These included:

1. There have been a number of substantial changes in the overall business environment since 1985 which have had a positive impact on existing and prospective women entrepreneurs, such as:

    a. An increase in the number of female business owners,
    b. More self-help offices have been established in the province,
    c. Loans and skills development programs have been established,
    d. A number of private sector training initiatives have been spawned,
    e. Women are increasingly shown by the mass media as business owners and small business's contribution to the economy has received considerable attention.

2. Despite these positive steps, the review concluded that there was still a need for this program.
3. The consultants proposed eight activity areas for future program initiatives.
   These were:

    a. Province-wide networking and mentoring,
    b. Local mutual support circles,

c. Annual province-wide conference,

d. Cooperation with other organizations,

e. Research projects,

f. Provision of role models,

g. Monitoring and follow-up,

h. Advocacy.

After consideration of the review's recommendations, the Government decided that it was not necessary to continue the program and it was cancelled.

In addition to the BOW Program, there are a number of women's organizations in Ontario which provide various support services to women entrepreneurs.

These include:

a. WOMEN EXECUTIVES AND ENTREPRENEURS: Based in Toronto, this organization provides networking and educational opportunities for women entrepreneurs and also acts as a lobby group.

b. WOMEN'S INITIATIVES FOR SUCCESSFUL ENTREPRENEURSHIP IN SOUTHWESTERN ONTARIO: Based in London, this group offers educational and non-financial support to women business owners.

c. WOMEN'S BUSINESS NETWORK ASSOCIATION OF OTTAWA: Provides networking and educational support.

d. Other similar organizations also exist in Sudbury and Thunder Bay.

5.3.6. QUEBEC

The government of Quebec had been very active in supporting women's entrepreneurship since the early 1980's when a session on women and the economy was held in Montreal. Included in its activities are:

1. The development of an extensive data bank of women business owners;
2. A five year research program into female entrepreneurship;
3. Production of a video focusing on women as entrepreneurs.

5.3.7. PRINCE EDWARD ISLAND

The P.E.I. Department of Industry does not offer any special programs or services to Women Entrepreneurs. However the Charlottetown Chamber Of Commerce offers a Women In Business Conference.

5.3.8. NOVA SCOTIA

Nova Scotia has undertaken a number of interesting initiatives related to Women Entrepreneurs. These include:

1. THE WOMEN'S BUSINESS DEVELOPMENT PROGRAM - (formerly the Women's Entrepreneurial Development Program) is a grant program that funds 50% of a project up to a maximum of $750. The project must fall into one of the following categories:

   a. Market research,
   b. Out of province trade shows or fairs,
   c. Management or technology transfer,
   d. Financial book keeping courses.

2. THE WOMENS ENTREPRENEUR PROGRAM - Is a grant that assists in the starting of a brand new business. The grant allows for up to 30% of the capital investment up to a maximum of $3500. The entire project cannot exceed $30,000. The applicant/owner must have at least a 20% equity investment in her own business in order to qualify. The grant does not apply to such businesses as defined below:

a. Personal businesses,
b. Fitness,
c. Professional services,
d. Non-profit,
e. Temporary,
f. Pre-school,
g. Franchises,
h. Bed n' breakfast.

The applicant must apply to qualify ahead of time and then produce the receipt or proof of payment afterwards so that a cheque for reimbursement can be issued. This does not apply to women in Darthmouth, Halifax.

There was a registry of women business owners that was established approximately 4 years ago that was intended to keep Nova Scotia women entrepreneurs informed, involved, and in touch. However this initiative has not been continued.

The National Film board and Acadia University did produce a 35 - 40 minute film called the "Enterprising Woman" designed to provide role models for aspiring female entrepreneurs and can be found at the local National Film board office.

It was confirmed that the Atlantic Women Business Owner's Association does not exist and that it is going strong. Other activities include:

1. A WOMEN ENTREPRENEURS CONFERENCE - Co-sponsored by Department Of Small Business Development and the Atlantic Regional Management Training Centre. The conference had gone so well they usually have to turn about 100 people away each year. They usually can handle about 500 individuals. They are now contemplating the idea of starting "satellites" of this conference in order to accommodate the overwhelming response.
2. HALIFAX WOMENS NETWORK - Which has been established for 10 years. Attendants of the meetings include Professional Business Women as well as women entrepreneurs.

5.3.9 NEW BRUNSWICK

The New Brunswick Department of Commerce and Technology sponsor a seminar series called the **WOMEN ENTREPRENEURS SERIES.** a **WOMEN ENTREPRENEUR VIDEO SERIES** was also produced to create awareness for women entrepreneurs. They also honor 12 outstanding female entrepreneurs with a **WOMEN ENTREPRENEUR AWARD** every year. Their criteria is not necessarily based on revenue but employment rates, community involvement, etc.

There is also financial assistance available through the Department of Labor to handicapped people, aboriginal people and women. However specifics on monies available to women have been unavailable due to the appropriate contact not being available.

As Ron Harriot of New Brunswick Department of Commerce an Technology said: "Most of the women feel that they are equal, and that as the women see it, any woman asking for handouts because she is a woman has a serious inferiority complex."

5.3.10. NEWFOUNDLAND

The province does not have any services or programs specifically oriented to women entrepreneurs.

5.3.11. YUKON TERRITORIES

The Yukon does not have any programs or services specifically oriented to women entrepreneurs.

5.3.12. NORTHWEST TERRITORIES

1. The N.W.T. does not offer any special programs or services for women entrepreneurs. A promotional campaign has been implemented to encourage women to start small businesses.

5.4 CANADIAN NATIONAL PRIVATE SECTOR INITIATIVES

The following organizations have been established which are, to varying degrees, of assistance to women entrepreneurs.

1. **HOME BUSINESSWOMEN'S NETWORK**: Among its functions, the network helps women learn to set priorities between home and work. It also acts as a lobby group to enhance the image of businesswomen working from their homes.
2. **CANADIAN ASSOCIATION OF WOMEN BUSINESS OWNERS**: This organization provides moral and practical support to its members who are starting in business. Seminars on business problems and networking meetings are held regularly in Toronto, with members coming across the country.
3. **CANADIAN ASSOCIATION OF WOMEN EXECUTIVES AND ENTREPRENEURS**: This organization provides educational resources and seminars on issues pertaining to women in business.
4. **CANADIAN FEDERATION OF WOMEN ENTREPRENEURS**: Headquartered in Toronto, this organization purpose is to help shape policies on issues affecting women in business.

5.5 UNITED STATES

Soon after initiating our research on programs and services for American women entrepreneurs we were informed by an official of the Small Business Administration in Washington D.C. that few if any states had programs or services specifically for women entrepreneurs. We therefore concentrated our efforts on obtaining information on Federal Initiatives but, in order to verify this person's statement, we contacted officials in six of the most populous states.

5.5.1. FEDERAL INITIATIVES

The overall responsibility for assistance to both men and women entrepreneurs in the United States is the Small Business Administration who deliver a number of programs open to everyone in business or intending to start a business. They have however established an agency called, The Office Of Women Business Ownership who, in turn, have developed programs set out below.

5.5.2. WOMEN'S NETWORK OF ENTREPRENEURIAL TRAINING (WNET).

The basis of this program is the establishment of mentor/protegee relationships between women who have been in business for a least five years and those who have been established less than three years. Once appropriate matching has taken place, the two individuals meet as often as they wish but not less than once a month to discuss the protegee's problems and possible solutions. As with most SBA programs, WNET is delivered through Small Business Development Centres usually attached to community colleges and Universities throughout the United States.

Another program offered by the SBA is their Mini-Loan Program Which provides loan guarantees of up to $50,000. While this program is open to both men and women, an official pointed out that the great majority of participants are women.

5.5.3. STATE INITIATIVES

As stated previously, officials from the following states were contacted:

1. Florida,
2. Illinois,
3. California,
4. Texas,
5. New York,
6. Minnesota.

In all cases we were informed that public sector procurement initiatives specifically for women entrepreneurs do not exist aside from ensuring that there is compliance with State legislation which requires that a certain percentage of the State's business must be done with minority and women-owned businesses. More specific responses are described below.

5.5.4. FLORIDA

Assistance is not segregated on the basis of sex. Business is booming so much that the issue of barriers faced by women is no longer an issue. It was for this reason that the agency dealing with the status of women in business was closed.

Most types of entrepreneurial assistance are in the form of information and referral services such as toll free lines and publications. It was also stated that there is a heavy reliance oh the private sector networks to assist in the entrepreneurial development, and that many such organizations have been formed for women.

5.5.5. ILLINOIS

As in other States, there are many Small Business Development Centres however unlike most others, Illinois has one which is specifically oriented to women. In addition Illinois has a Minority and Female Business Enterprise division which has as its main purpose the registration of minority and women-owned businesses to maintain compliance with State procurement policies. A service is provide to show women business owners how to do business with government.

5.5.6. CALIFORNIA

As in other States, California has a Minority and Women Owned Business Office which registers applicants. No other initiatives specifically for women entrepreneurs are provided.

5.5.7. TEXAS

No programs or services specifically for women entrepreneurs are provided. The official contacted pointed out that women in business are becoming so dominant that many male business people are becoming somewhat intimidated.

5.5.8. NEW YORK

Other than the Minority and Women Owned Business Office, no initiatives are being taken.

5.5.9. MINNESOTA

A very well-known program for women entrepreneurs is the Women's Economic Development Corporation (WEDCO) located in Minneapolis/St. Paul. This non-profit organization was founded in 1982 to assist women in creating small businesses. The organization also works with existing women-owned businesses providing consulting services, training, loan packaging and business loans. Many of these services are sufficiently unique to warrant further description.

1. INFORMATION, TRAINING AND CONSULTING SERVICES - Services of this type are provided where not available through other organizations. A series of workbooks on product, services and private practice have been prepared and are used as workshop materials. Consulting services include orientation to business, an individual assessment where information is gathered on the individual and their business; and direct consulting in areas of marketing, finance and management. Technical expertise is available through the board of advisors and other volunteer business owners. There is also assistance available for preparing business plans. Once financing is obtained, the organization provides on-going assistance and follow-up to each business.
2. LOAN PACKAGING/BANK PARTNERSHIP - WEDCO has developed relationships with various local banks who do not only contribute funds to the organization, but also provide volunteers for consulting and treat WEDCO - referred loans preferentially.
3. SEED CAPITAL FUND - This fund was established as a last resort source of funding. It is used to finance businesses that generally need under $10,000 in order to start.

4. **WEDCO GROWTH FUND** - This fund, capitalized by two private foundations, provides expansion financing to WEDCO clients. It will make investments or loans over $25,000 to clients.

During its first two and one-half years of operation, WEDCO assisted in the start-up of 546 new businesses and the expansion of another 300. Over 250 businesses received financing through the organization's joint program with local banks and its seed capital fund.

5.6 AMERICAN PRIVATE SECTOR INITIATIVES

There are a number of national women's organizations who, to varying degrees, provide programs and services to women entrepreneurs. They include the following:

5.6.1. AMERICAN BUSINESS WOMEN'S ASSOCIATION

This organization promotes the professionally and educational advancement of working women. Its goal is to provide opportunities for businesswomen to grow professional in areas such as: leadership, education, networking support and national recognition.

5.6.2 BUSINESS AND PROFESSIONAL WOMEN, U.S.A.

This group provides a means by which women can network, sharpen leadership skills, learn to take on new challenges and find personal support. The goal of the organizations is to promote full participation, equity and economic self-sufficiency for working women.

5.6.3. THE ENTERPRISING WOMAN

The purpose of this organization is to provide educational and support services for women business owners.

5.6.4. NATIONAL ASSOCIATION OF WOMEN BUSINESS OWNERS

This organization is a women's network designed to encourage business ownership by women. The goals of the group are to provide a voice for women in business, foster economic stability and improve the climate for entrepreneurship through participation in public policy making.

5.6.5. WOMEN IN BUSINESS

The goal of this group is to create a network which successful business women can use to enhance their professional development and personal growth.

5.6.6. AMERICAN WOMAN'S ECONOMIC DEVELOPMENT CORPORATION

This organization, which was founded in 1976, is well known for its work with women entrepreneurs and deserves a more detailed discussion.

1. **CLIENTELE** - Services are provided to women who are in business or want to start their own business. At present AWED trains and counsels approximately 2,500 women each year. In addition, another 5,000 attend conferences and workshops. 15,000 receive their monthly newsletter.
2. **STRUCTURE AND FUNDING** - A non-profit organization, AWED received its initial findings from the United States Department of Commerce. Presently funds come from all levels of government, corporations, foundations and individuals. It is governed by a 22 member board of directors who are successful men and women involved in many areas of business. The organization has 63 full time staff.
3. **TRAINING AREAS** - Training is provided in the following areas:

    a. Managing your own business,
    b. Advanced business presentation workshops,
    c. Chief executive roundtables,
    d. Starting your own business.

4. **COUNSELLING SERVICES** - Counselling is available in the organization's New York Offices throughout the week as well as evenings and by telephone. In addition, a "hotline" is available where a client may speak with a counsellor for up to 10 minutes. A fee is charged for all counselling services.

5. **CONFERENCES AND SPECIAL EVENTS** - AWED conducts an annual national conference for women entrepreneurs focusing on fashion, beauty, fitness, food and home fashion businesses. A management lecture series offers well known speakers addressing topics such as: selling, managing, and motivating people, financial planning and control.

5.7 UNITED KINGDOM

There are no programs or services offered specifically for women entrepreneurs in the United Kingdom although the Government does have a broad range of programs for support and stimulation of small business.

Many United Kingdom programs are somewhat unique because of the mix of public and private sector involvement and for this reason will be briefly described.

5.7.1. BUSINESS IN THE COMMUNITY (BIC)

This is an organization which works in tandem with both levels of government, business, educational institutions as well as business and trade organizations. Participating members can be involved in a number of ways including: contributing financially, providing staff to the BIC, joint venturing with small businesses, etc. Most staff are seconded from participating members; organizations.

5.7.2. ENTERPRISE AGENCIES

These agencies, usually set up by BIC's, assist in the development of new and existing businesses by providing counselling to entrepreneurs. The majority of these agencies are private sector controlled but work in partnership with the public sector and other organizations. In addition to counselling, the Enterprise Agencies provide a range of services including workshops, business training courses and financial match-making.

There are a total of 13 BIC regions in the United Kingdom in which the number of Enterprise Agencies can vary from 3 or 4 to 20 in more populated regions.

5.8 SUMMARY AND CONCLUSIONS

In both Canada, the United States and the United Kingdom there are virtually no publicly-funded programs or services specifically for women entrepreneurs and, according to public officials, there would appear not to be much reason for developing such initiatives.

It is broadly held that women have become an increasingly dominant force in small business and as such do not need or want special support. There is a strong belief that, as more and more women become successful entrepreneurs, role models and mentors will become available to assist and support new female entrants and that such a natural, self-developing process is most appropriate.

In support of this assertion, officials point to the growing number of private women's organization that have sprung up to provide networking, lobbying, education and personal support to women in business. This is particularly the case in the United States and Canada seems to be following the same trend.

6.0 PRIMARY RESEARCH AMONG WOMEN IN BUSINESS

6.0 PRIMARY RESEARCH AMONG WOMEN IN BUSINESS

6.1 INTRODUCTION

The objective was to:

"Conduct new, primary research on women, using men as the control group, to determine real and perceived barriers to the development of their business at each stage of the business development at each stage of the business development.

To achieve the objective two research methods were used: a **mail survey** and **focus groups**. The survey involved both male and female respondents and was aimed at providing quantitative data. The focus groups involved women only and were aimed at acquiring qualitative data regarding barriers faced by women. Details of each approach are discussed in the following sections.

6.2 SURVEY METHODOLOGY

6.2.1. QUESTIONNAIRE DESIGN

A questionnaire was designed requiring respondents to react on a 5 point Likert scale to a set of 32 statements concerning possible barriers to small businesses (see Appendix 10.4 for sample of questionnaire). The scale allowed reactions to be measured on the basis of respondents' agreement or disagreement.

Respondents were asked to think back to when they first started or purchased their business and react to the statements according to their best recollection.

The statements were worded as neutrally as possible so as not alert respondents that the research project was about barriers faced by women. Similarly, cover letters were worded neutrally. The final component of the questionnaire required respondents to fill out background information to discern types of business, status of ownership, length of time in business, location, plus personal characteristics. Respondents were then asked to list the most significant barriers they were currently facing.

6.2.2. SAMPLING DESIGN

It was determined that a sample size of a least 600 would be required in order to obtain statistically significant results. In the end, a total of 718 questionnaires were mailed. Additional key considerations in developing the research design were:

1. To have comparable male control group;
2. To have a geographically appropriate distribution;
3. To obtain responses representative of both large and small sizes of communities.

Urban businesses were defined as those operating in the major centres of Edmonton, Calgary and Red Deer while rural businesses were defined as those operating in other Alberta communities. To ensure an appropriate regional distribution of responses, the following rural centres were selected.

NAME	POPULATION (1988)	REGION
LETHBRIDGE	60,610	SOUTHWEST
GRANDE PRAIRIE	26,648	CENTRAL EAST
BROOKS	9,464	SOUTHEAST
HIGH RIVER	5,096	SOUTH CENTRAL
VERMILLION	4,259	CENTRAL EAST
LAC LA BICHE	2,553	NORTHEAST

Approximately 70% of the questionnaires were mailed to urban communities and 30% to rural communities. While, on per capita basis, this would seem to suggest that the urban areas were over represented, when compared on the basis of the total population of businesses (rather than people), the proportion is quite representative. A breakdown of the 718 questionnaire mailed is as follows:

	MALE	FEMALE	TOTAL
RURAL	101	103	204
URBAN	262	252	514
TOTAL	363	355	718

In order to draw the sample, lists from a variety of sources were acquired. These included Chambers of Commerce, Municipal Business Licensing Branches, offices of Alberta Economic Development and Trade, post-secondary educational institutes that offer small business programs, Community Futures Business Development Centres, and organizations that had recently offered conferences and programs for women entrepreneurs (e.g. Federal Business Development Bank, Community Business Initiatives Demonstration Project in Calgary etc.)

The female sample was drawn first for the Edmonton and Calgary sample.. The type of business was identified according to standard categories (business service, personal service, retail, manufacturing, food services, communication, wholesaler/distributors, transportation, import/export) and comparable numbers of male owned business were randomly drawn within each category. This method was used to ensure that results would not be skewed by disparities among types of business between the males and female sample.

For example if female responses were largely from the business service and personal service sector, than male responses should be from the same sector rather than drawn from another sector like manufacturing. While the lists were sufficiently long enough for the Edmonton/Calgary sample, there were fewer comparable male businesses in the rural sample. The total list of mail out addresses is provided in Appendix 10.12.

The aim was to obtain a response rate of at least 30%. This was encouraged by including a self addressed, stamped envelope. As well, ten days after the mail out, all persons who had not responded were called by the telephone.

The actual response rate was much higher. The following table indicates the number.

CALCULATION OF RESPONSE RATE

TOTAL QUESTIONNAIRES MAILED OUT	718
RETURNED UNDELIVERABLE	40
TOTAL DELIVERABLE	678
TOTAL RESPONSES AS OF CUT-OFF DATE	245
RETURN RATE (For Data Analysis)	36%
RESPONSES RECEIVED AFTER CUT-OFF DATE	46
TOTAL RESPONSES	291
OVERALL RESPONSE RATE	43%

The total list of respondents (as the cut-off date) if provided in Appendix 10.13.

6.3 PROFILE OF SURVEY RESPONDENTS

The total number of respondents used in the analysis was 245. Of these 142 were male an 103 were female. This represents a male response rate of 39% and a female response rate of 29%. The two samples were quite similar. The following are comparisons for various background variables.

URBAN OR RURAL	Male:		Female:		Total:	
Urban	94	66.2%	67	65.0%	161	65.7%
Rural	48	33.8%	36	35.0%	84	34.3%
	142	100.0%	103	100.0%	245	100.0%

TYPE OF BUSINESS	Male:		Female:		Total:	
Retail	45	31.7%	35	34.0%	80	32.7%
Wholesale	2	1.4%	1	1.0%	3	1.2%
Business Service	33	23.2%	21	20.4%	54	22.0%
Personal Service	26	18.3%	31	30.1%	57	23.3%
Manufacturing	15	10.6%	7	6.8%	22	9.0%
Construction	10	7.0%	2	1.9%	12	4.9%
Miscellaneous	11	7.7%	6	5.8%	17	6.9%
	142	100.0%	103	100.0%	245	100.0%

STARTED FULL-TIME OR PART-TIME

	Male:		Female:		Total:	
Full-Time	125	88.7%	86	83.5%	211	86.5%
Part-time	16	11.3%	17	16.5%	33	13.5%
	141	100.0%	103	100.0%	244	100.0%
No Response	1					1

PRESENTLY FULL-TIME OR PART-TIME

	Male:		Female:		Total:	
Full-Time	110	94.0%	84	88.4%	194	91.5%
Part-time	7	6.0%	11	11.6%	18	8.5%
	117	100.0%	95	100.0%	212	100.0%
No Response	25		8		33	

NUMBER OF YEARS ASSOCIATED WITH THIS BUSINESS

	Male:	Female:	Total:
Average Response	12.4 n=141	6.3 n=102	9.8 n=243

BUSINESS PRESENTLY LOCATED IN HOME OR COMMERCIAL/INDUSTRIAL PREMISES

	Male:		Female:		Total:	
Home	17	12.0%	17	16.7%	34	13.9%
Commercial/Indust.	125	88.0%	85	83.3%	210	86.1%
	142	100.0%	102	100.0%	244	100.0%
No Response			1		1	

BUSINESS WAS STARTED IN HOME OR COMMERCIAL/INDUSTRIAL PREMISES

	Male:		Female:		Total:	
Home	38	27.7%	25	24.3%	63	26.3%
Commercial/Indust.	99	72.3%	78	75.7%	177	73.8%
	137	100.0%	103	100.0%	240	100.0%
No Response	5				5	

PRESENT AGE	Male:		Female:		Total:	
Under 24	1	0.7%	0	0.0%	1	0.4%
24 - 29	9	6.3%	4	3.9%	13	5.3%
30 - 50	97	68.3%	78	75.7%	175	71.4%
Over 50	35	24.6%	21	20.4%	56	22.9%
	142	100.0%	103	100.0%	245	100.0%

EMPLOYED IN THIS TYPE OF BUSINESS BEFORE?

	Male:		Female:		Total:	
Yes	84	59.2%	42	40.8%	126	51.4%
No	58	40.8%	61	59.2%	119	48.6%
	142	100.0%	103	100.0%	245	100.0%

NUMBER OF YEARS EMPLOYED IN THIS TYPE OF BUSINESS BEFORE

	Male:	Female:	Total:
Average Response	6.18 n=141	3.0 n=102	4.9 n=243

OWNED ANOTHER BUSINESS BEFORE?

	Male:		Female:		Total:	
Yes	56	39.7%	37	35.9%	93	38.1%
No	85	60.3%	66	64.1%	151	61.9%
	141	100.0%	103	100.0%	244	100.0%
No Response		1				1

EDUCATION LEVEL	**Male:**		**Female:**		**Total:**	
Less than Completed High School	20	14.3%	12	11.8%	32	13.2%
Completed High School	29	20.7%	18	17.6%	47	19.4%
Some Post Secondary Education	35	25.0%	33	32.4%	68	28.1%
Completed College Diploma	35	25.0%	25	24.5%	60	24.8%
Graduate School	21	15.0%	14	13.7%	35	14.5%
	140	100.0%	102	100.0%	242	100.0%
No Response	2		1		3	

AMOUNT OF MONEY INVESTED IN THE START-UP OR PURCHASE OF THE BUSINESS

	Male:		**Female:**		**Total:**	
Less than $10,000	36	25.7%	32	31.4%	68	28.1%
$10,000 - $19,999	20	14.3%	25	24.5%	45	18.6%
$20,000 - $29,999	17	12.1%	8	7.8%	25	10.3%
$30,000 - $39,999	8	5.7%	5	4.9%	13	5.4%
$40,000 - $49,999	6	4.3%	4	3.9%	10	4.1%
More Than $49,999	53	37.9%	28	27.5%	81	33.5%
	140	100.0%	102	100.0%	242	100.0%
No Response	2		1		3	

AVERAGE PERCENT OF FINANCING COMING FROM THE FOLLOWING SOURCES

	Male: n=132	**Female:** n=92	**Total:** n=224
Savings	55%	51%	53%
Financial Instit.	23%	23%	23%
Relatives	8%	17%	12%
Friends	2%	1%	2%
Other Investors	7%	4%	6%
Other	5%	3%	4%
	100%	100%	100%

IS THIS BUSINESS YOUR MAJOR SOURCE OF INCOME?

	Male:		Female:		Total:	
Yes	128	92.1%	68	67.3%	196	81.7%
No	11	7.9%	33	32.7%	44	18.3%
	139	100.0%	101	100.0%	240	100.0%
No Response	3		2		5	

Dissimilarities between males and females appeared among the following variables.

1. NUMBER OF YEARS ASSOCIATED WITH THIS BUSINESS - On average males were associated with the business 12.4 years while females were associated 6.3 years.
2. NUMBER OF YEARS EMPLOYED IN THIS TYPE OF BUSINESS - On average males were employed 6.18 years while females were employed 3.0.
3. OWNED ANOTHER BUSINESS BEFORE - The majority of males (59.2%) were employed in the business before while 40.8% of the females were not.
4. MAJOR SOURCE OF INCOME - The vast majority (92.1%) of males used the business as their major source of income while 67.3% of females indicated the business as a major source.

In general it can be seen that the male sample had more years of experience in terms of previous employment in the business, or type of business and the males depended more heavily on the business for their income.

6.4 FREQUENCY DISTRIBUTIONS

Both male and female samples were asked to respond to 33 statement expressing their degree of agreement or disagreement with them. (Note: the questionnaire inadvertently identified two questions numbered 21 which have been designated 21a and 21b for the purpose of this study). Using Frequency Distributions, comparisons of average response to each statement were prepared first by gender and then by location and type of business.

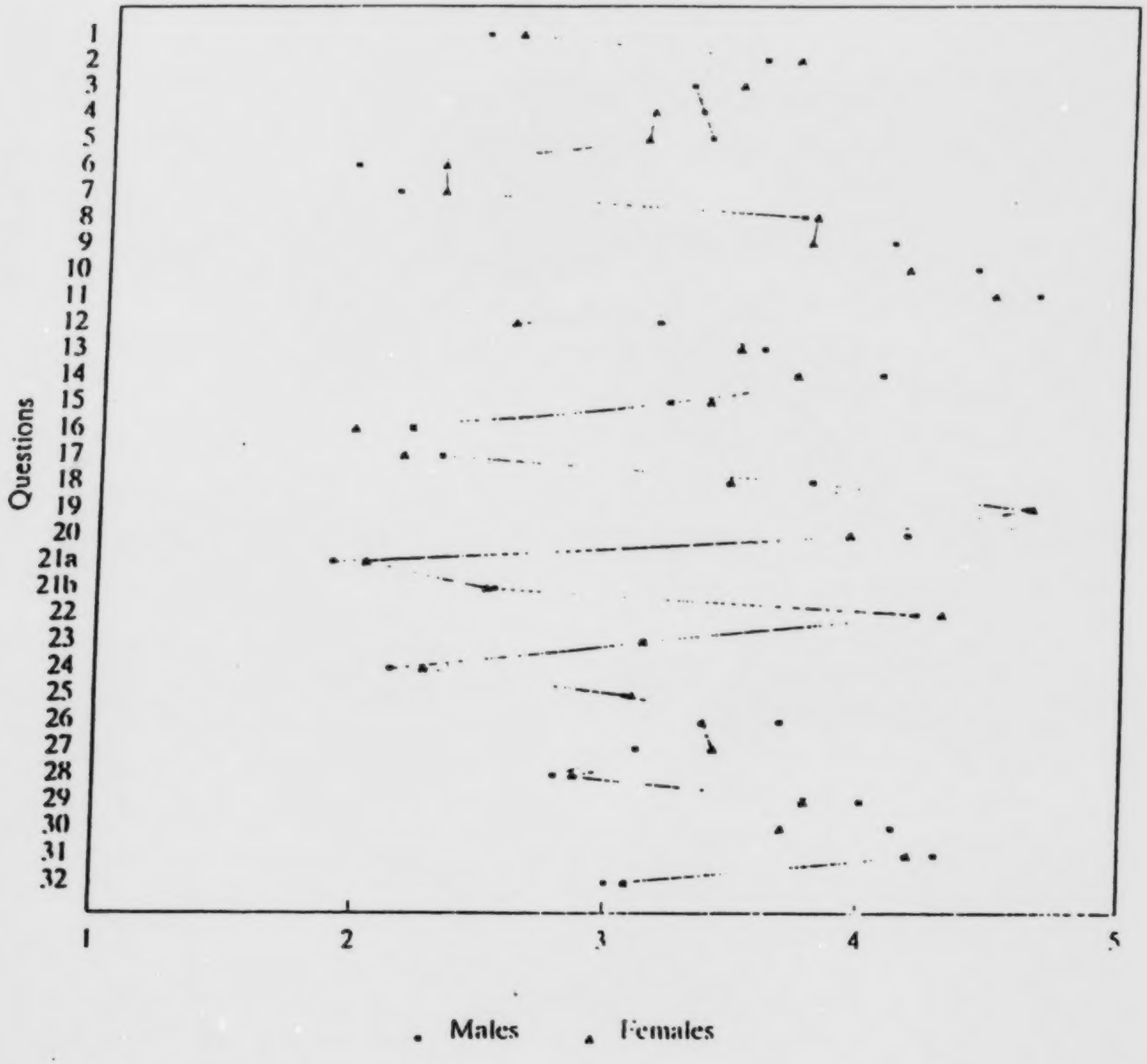
1. by gender - see graph 1
2. by urban responses - see graph 2
3. by rural responses - see graph 3
4. by retail (whole business - see graph 4)
5. by business service - see graph 5
6. by personal service business - see graph 6
7. by manufacturing/construction business - see graph 7
8. by miscellaneous type of business - see graph 8

Specific data used to generate the graphs are provided in Appendix 10.5.

GRAPH ONE

Comparison of Average Responses

Males/Females

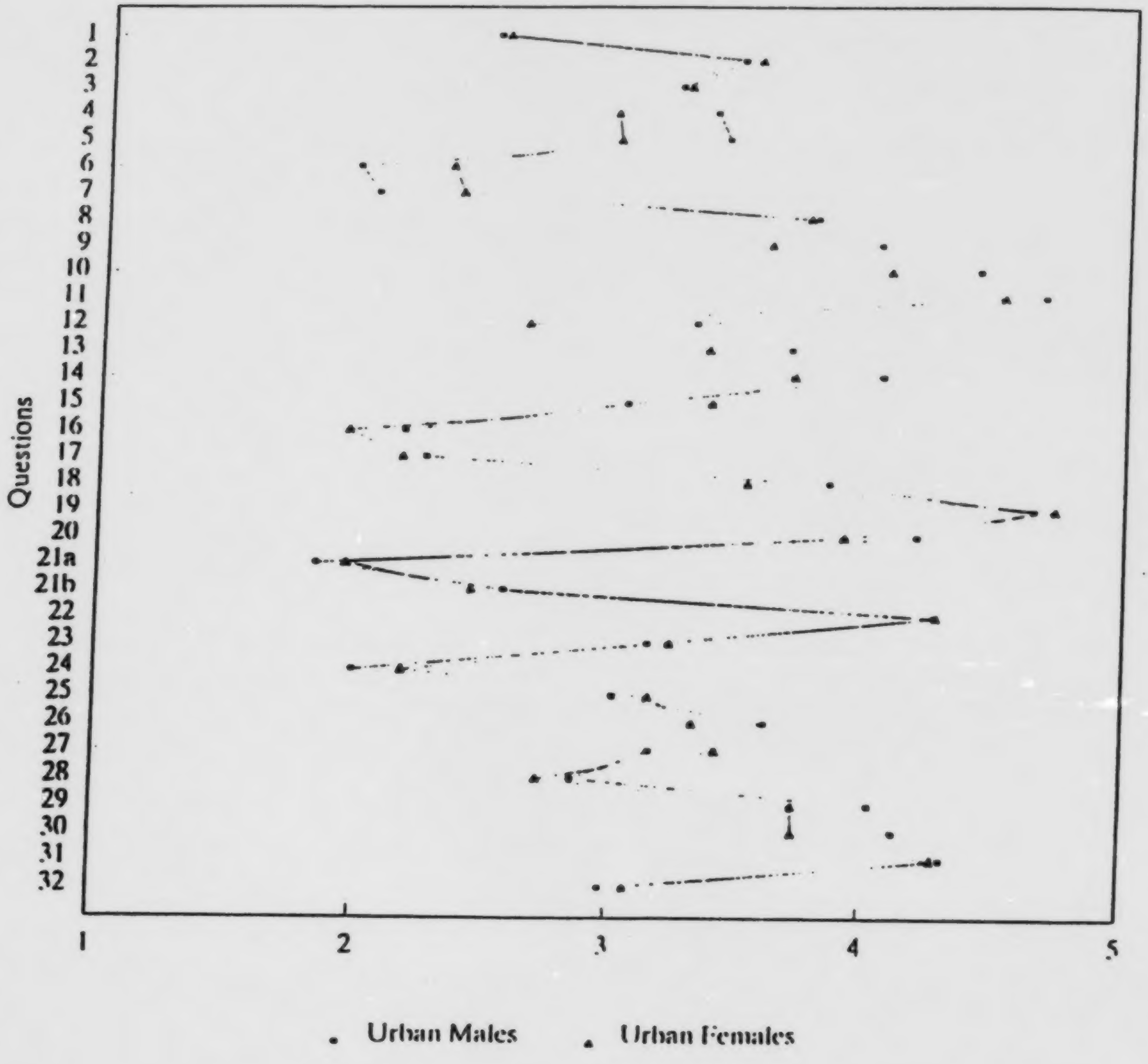


Note: 1=Strongly Disagree, 5=Strongly Agree

GRAPH TWO

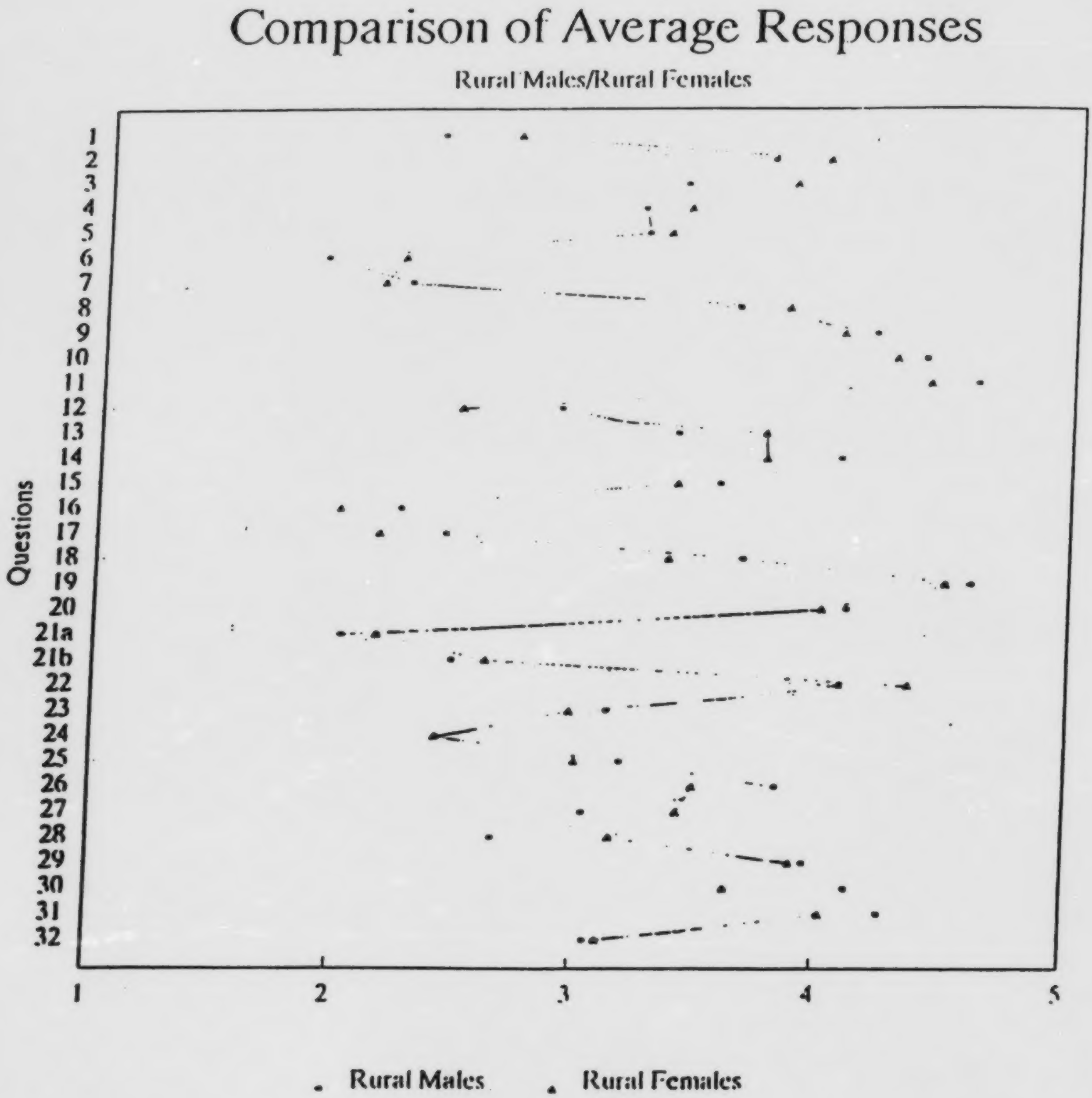
Comparison of Average Responses

Urban Males/Urban Females



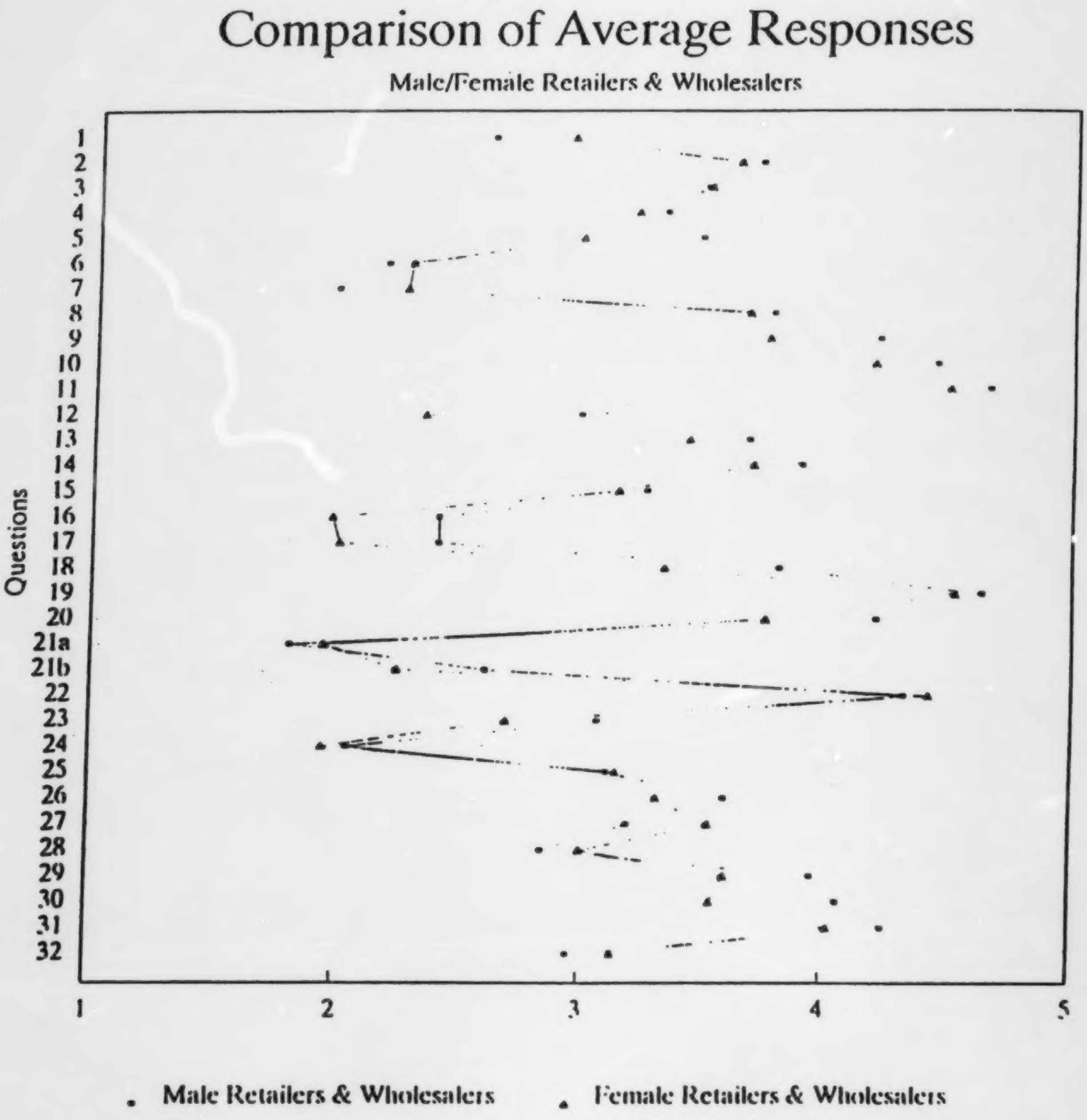
Note: 1=Strongly Disagree, 5=Strongly Agree

GRAPH THREE



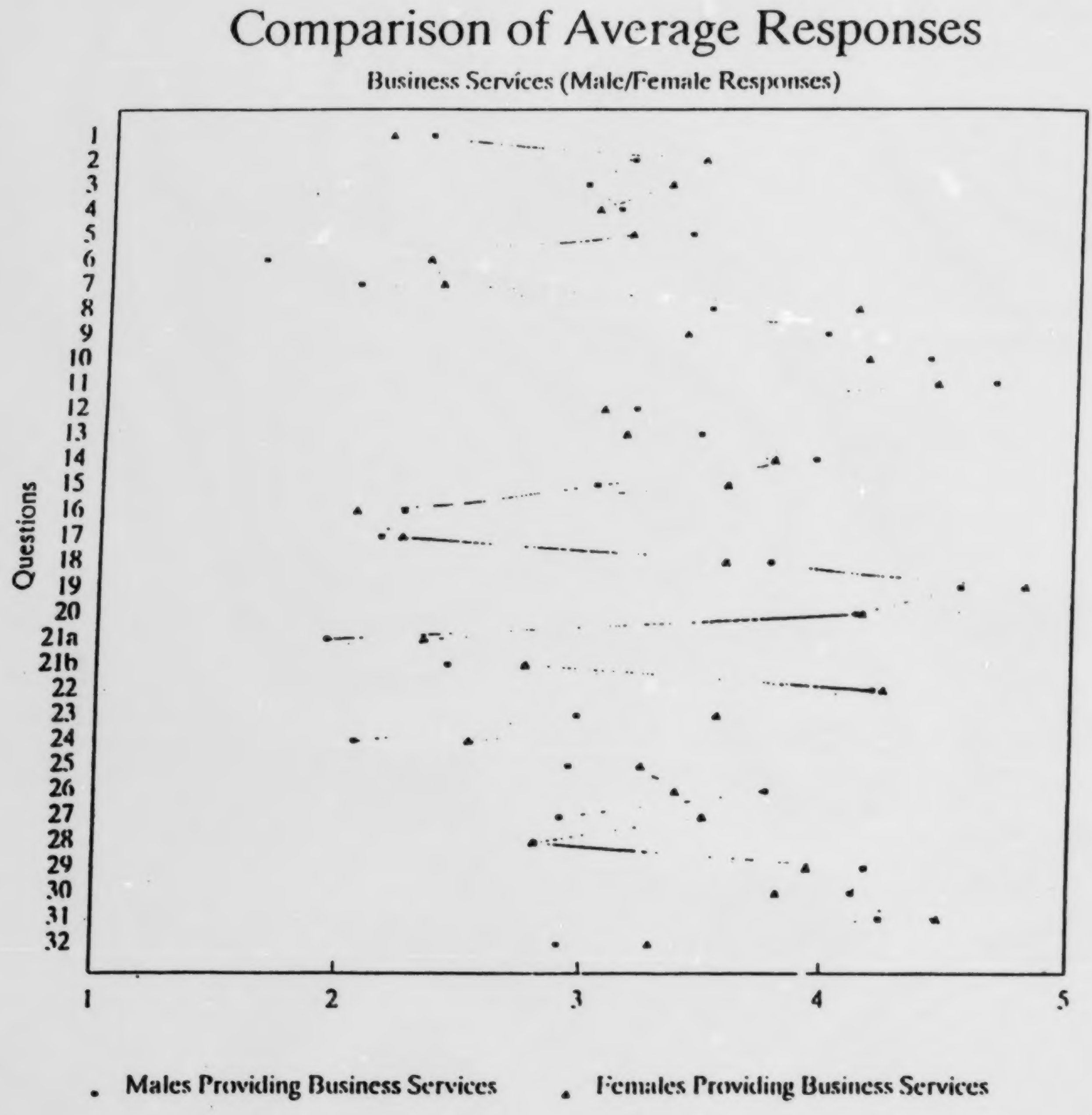
Note: 1=Strongly Disagree, 5=Strongly Agree

GRAPH FOUR



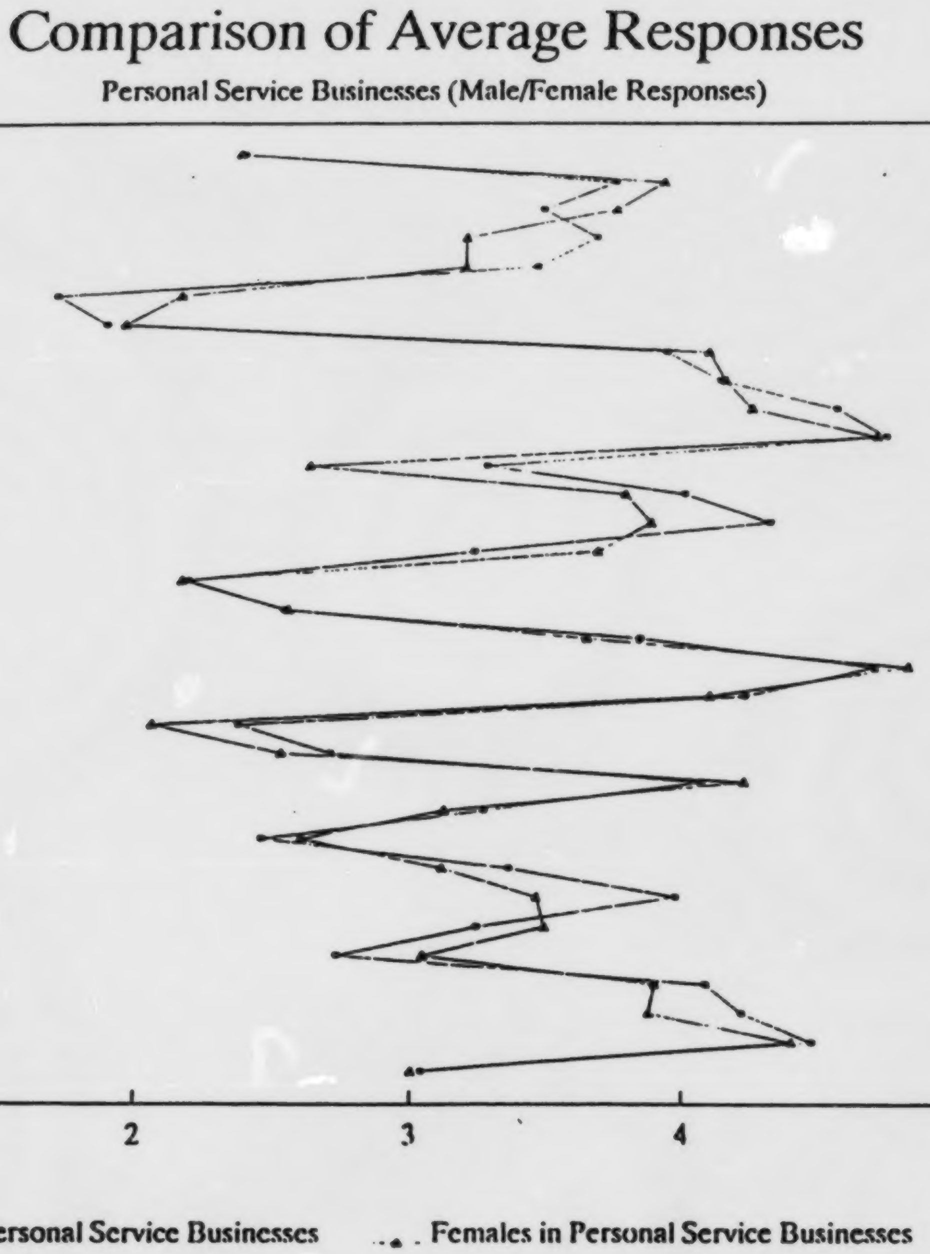
Note: 1=Strongly Disagree, 5=Strongly Agree

GRAPH FIVE



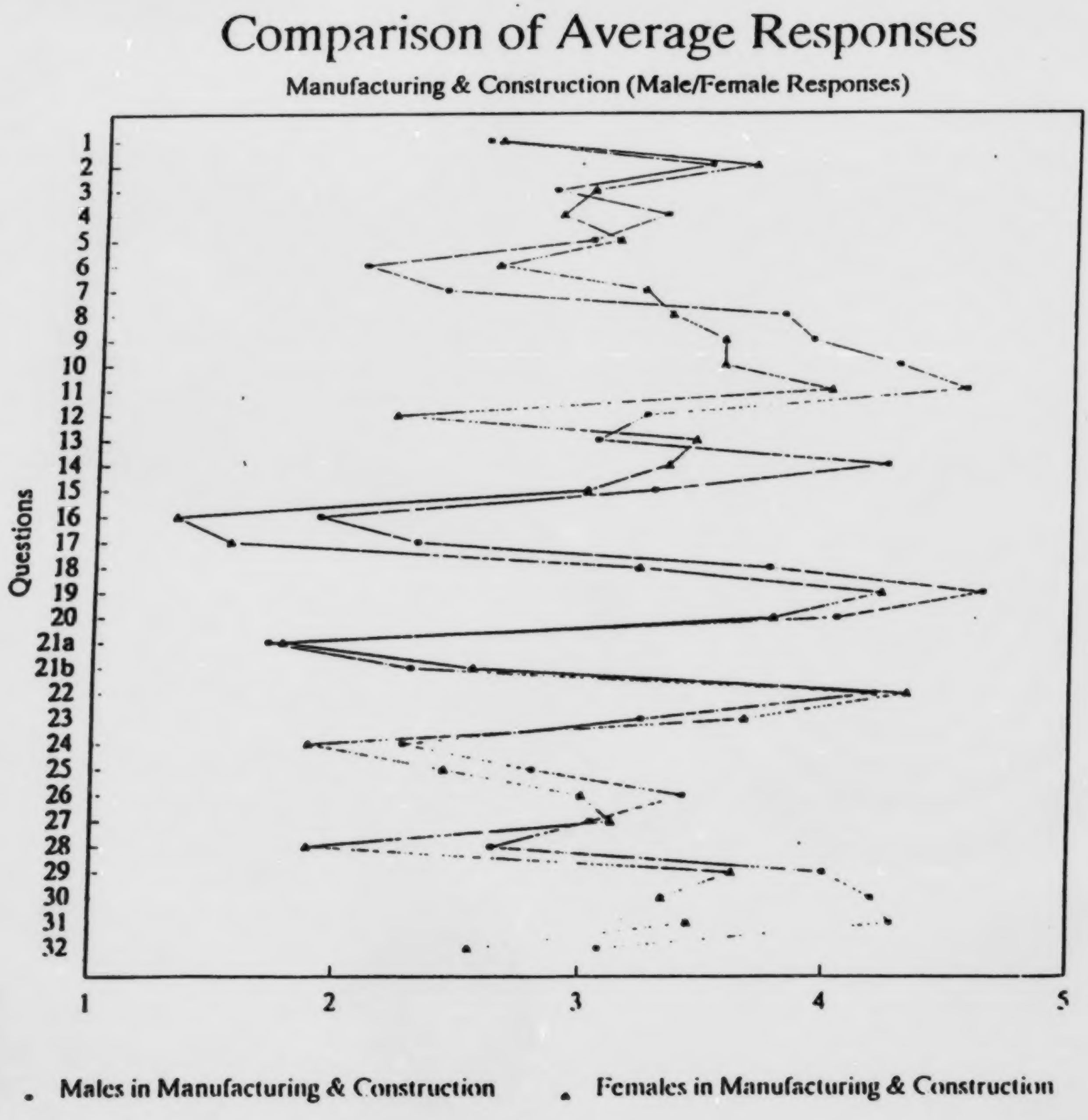
Note: 1=Strongly Disagree, 5=Strongly Agree

GRAPH SIX



Note: 1=Strongly Disagree, 5=Strongly Agree

GRAPH SEVEN

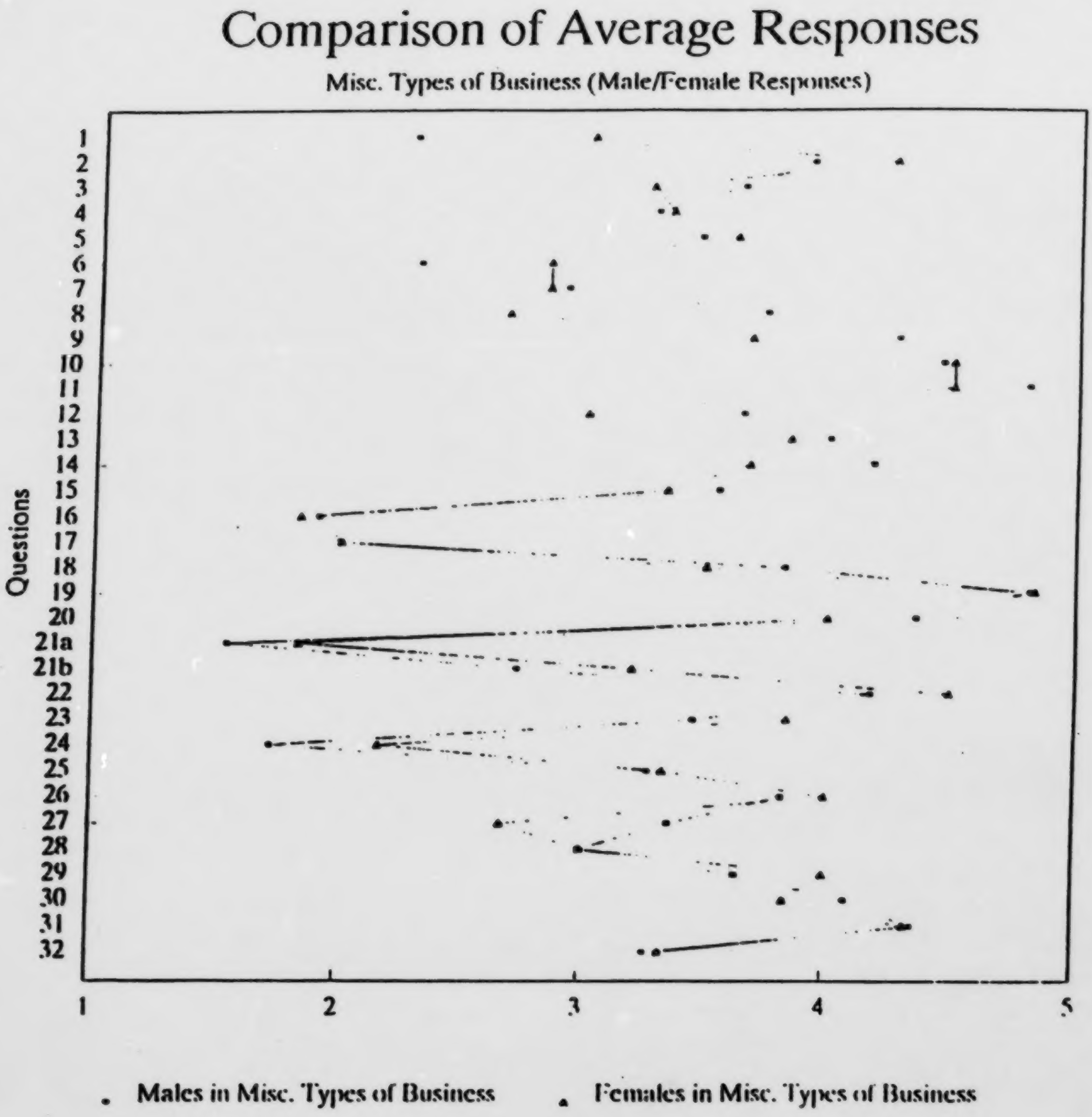


Comparison of Average Responses

Manufacturing & Construction (Male/Female Responses)

Note: 1=Strongly Disagree, 5=Strongly Agree

GRAPH EIGHT



Note: 1=Strongly Disagree, 5=Strongly Agree

Perhaps the most outstanding general observation is the degree to which male and female responses resembled each other regardless of responses to statement and background variables.

6.5 TESTS OF CORRELATIONS

Since there were some differences in responses between male and females, tests of correlation were undertaken between all background variables (including gender) and responses to statements. Detailed results are provided in Appendix 10.6.

Setting the female response at 1, significant negative correlations were found in 12 questions and positive correlations were found in two statements. These are listed below in descending order of confidence.

6.5.1. STATEMENTS IN WHICH SIGNIFICANT GENDER DIFFERENCES APPEAR

STATEMENTS		CONFIDENCE LEVEL	SIGNIFICANCE LEVEL
1.	Women were less confident in their negotiating skills.	99.95%	.0005
2.	Women had less experience in running the kind of business they were involved in.	99.50%	.005
3.	Women were less confident in their ability to handle the financial aspects of the business.	99.00%	.01
4.	Women perceived themselves to be less assertive than most successful business people seem to be.	99.00%	.01
5.	Women were less confident in their ability to market their product or service.	99.00%	.01
6.	Women were less certain that their business would succeed.	99.00%	.01
7.	Women perceived that they had more difficulty in problem solving.	97.50%	.025
8.	Women were less confident in their ability to deal with customers.	95.00%	.05
9.	Women felt they had more difficulty in making decisions.	95.00%	.05
10.	Women perceived more difficulty in understanding legal matters relating to business.	90.00%	.1
11.	Women were less confident in their ability to manage staff.	90.00%	.1
12.	Women perceived they were under more stress than men.	90.00%	.1

Two positive correlations were obtained.

1.	Men were less aware of government financial assistance that was available to business persons.	95.00%	.05
2.	Men felt a stronger need to draw money from the business.	95.00%	.05

While the above are ranked in descending order of correlations and levels of confidence, it is useful to summarize the statements on the basis of some of the barriers identified in the literature.

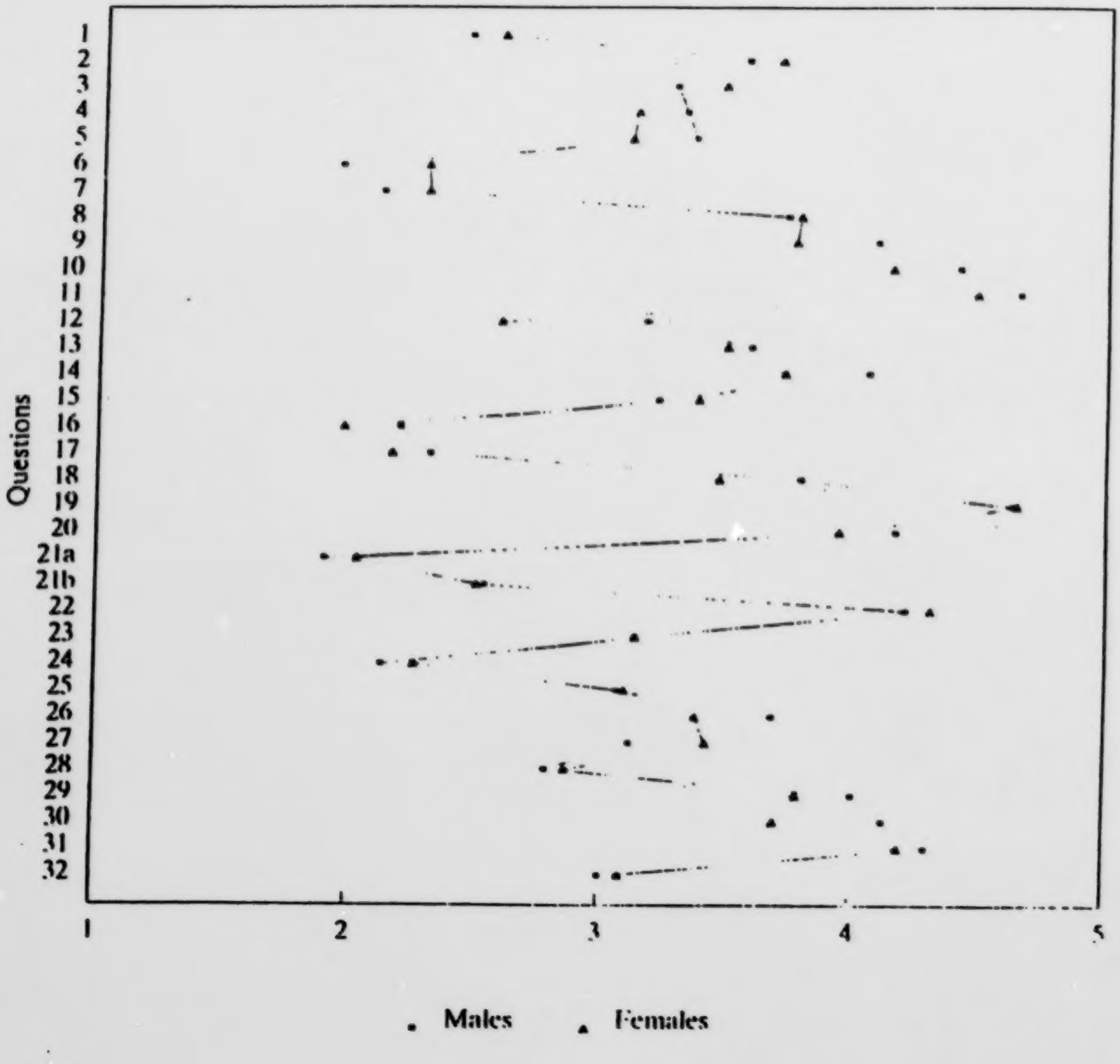
NEGATIVE SELF-PERCEPTION

Women rated themselves less confident is some personal skills and attitudes.

1. Negotiating,
2. Assertiveness,
3. Certainty of business success,
4. Problem solving,
5. Decision making,
6. Stress management.

Comparison of Average Responses

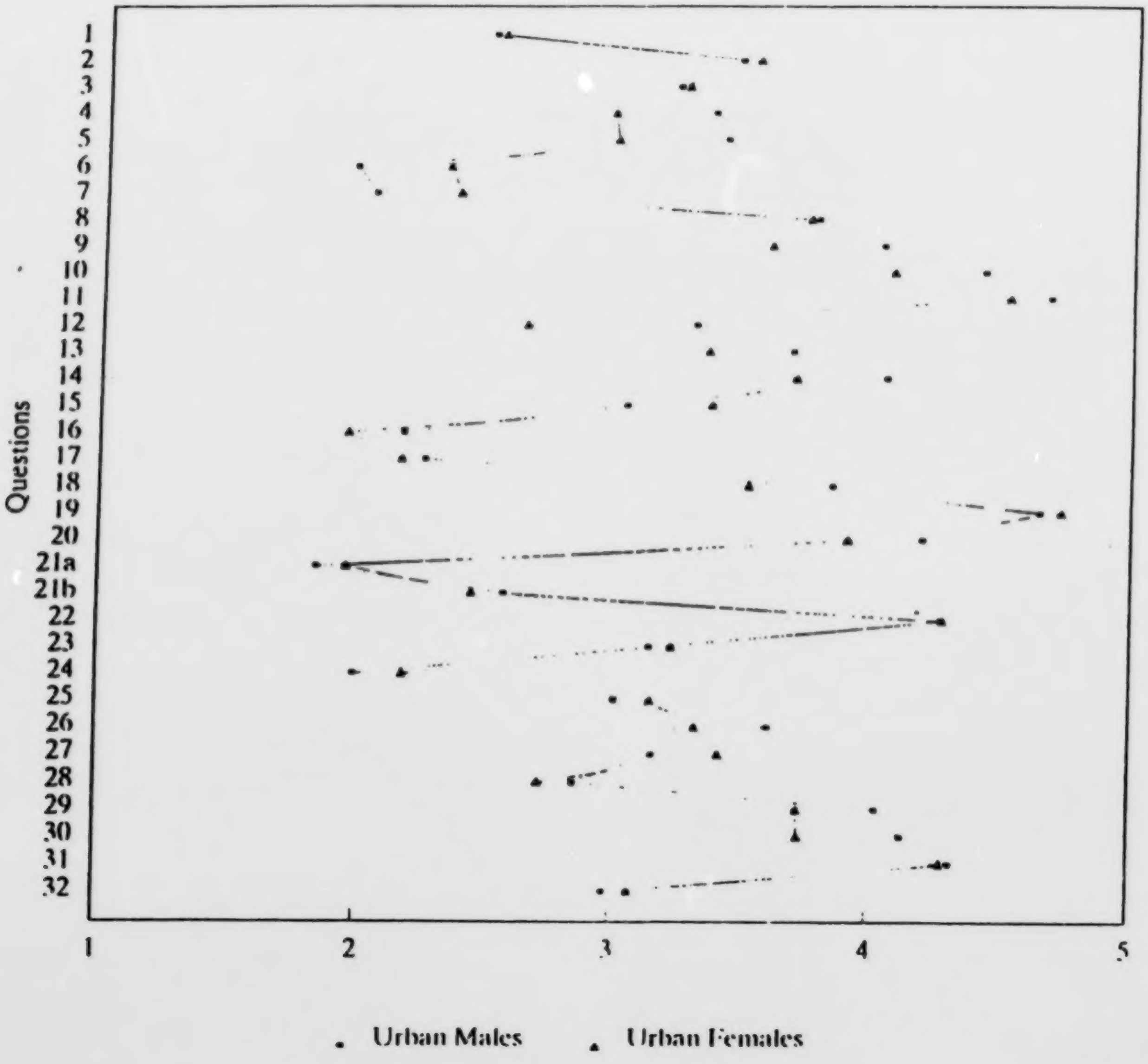
Males/Females



Note: 1=Strongly Disagree, 5=Strongly Agree

Comparison of Average Responses

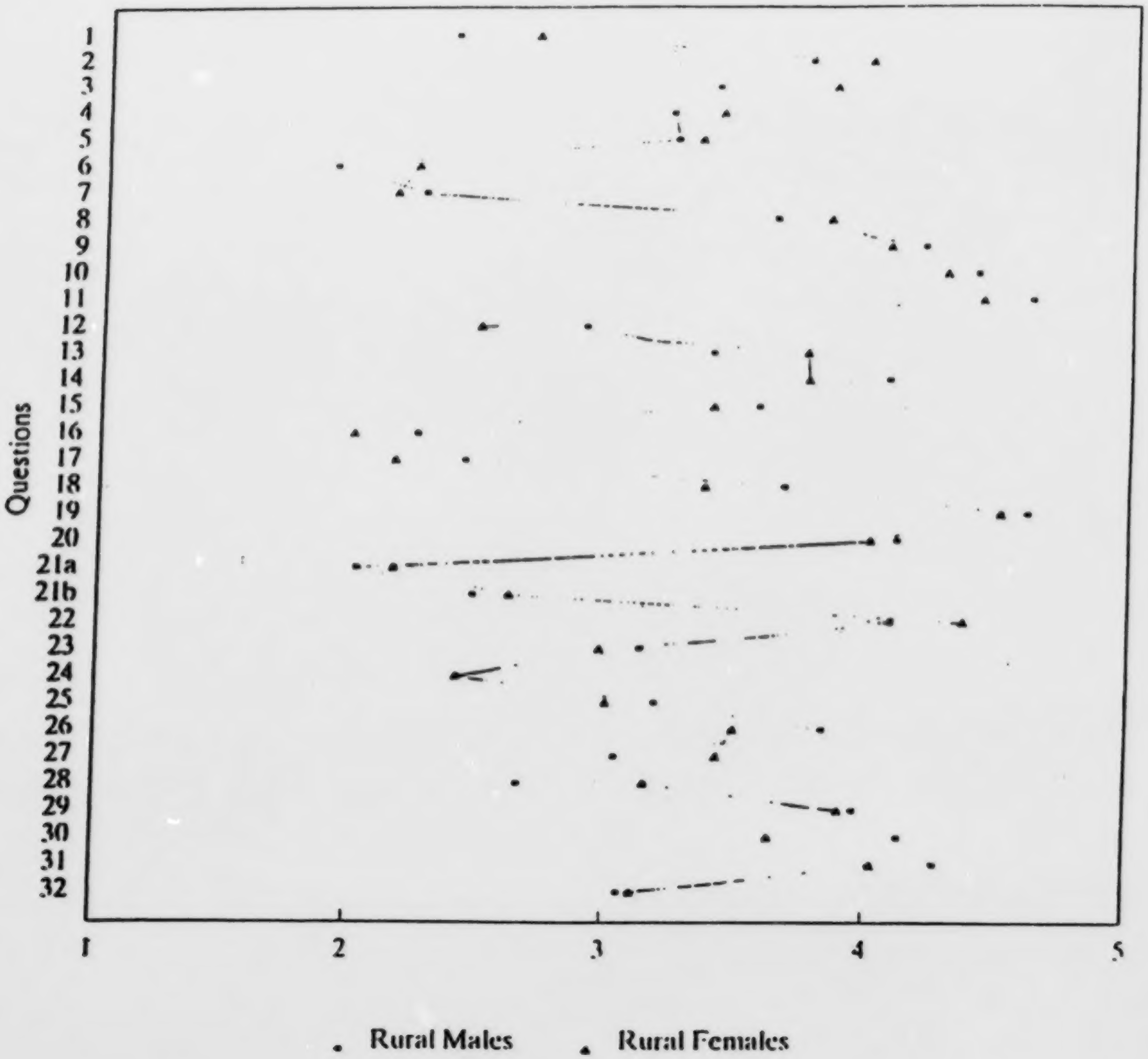
Urban Males/Urban Females



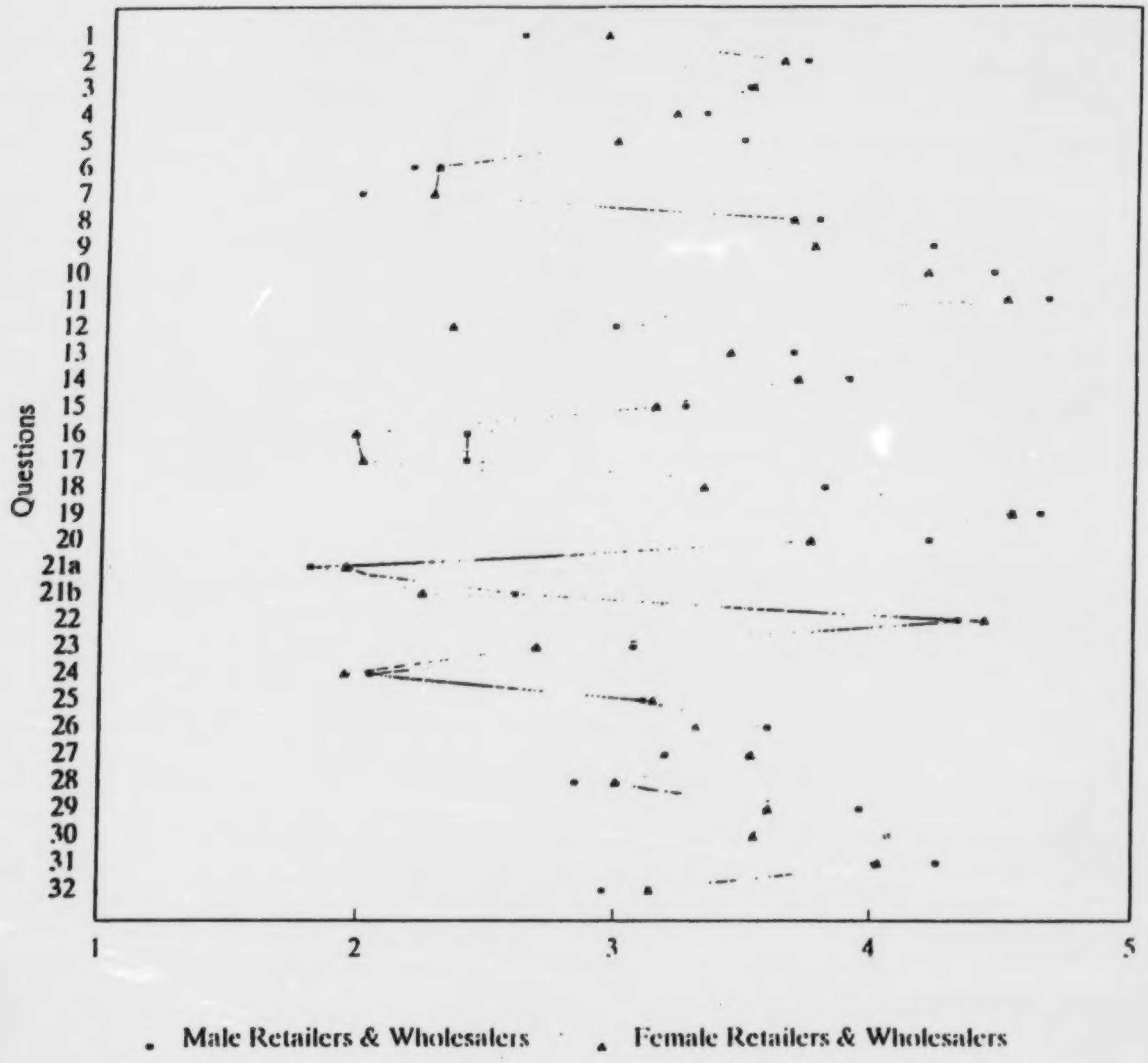
Note: 1=Strongly Disagree, 5=Strongly Agree

Comparison of Average Responses

Rural Males/Rural Females



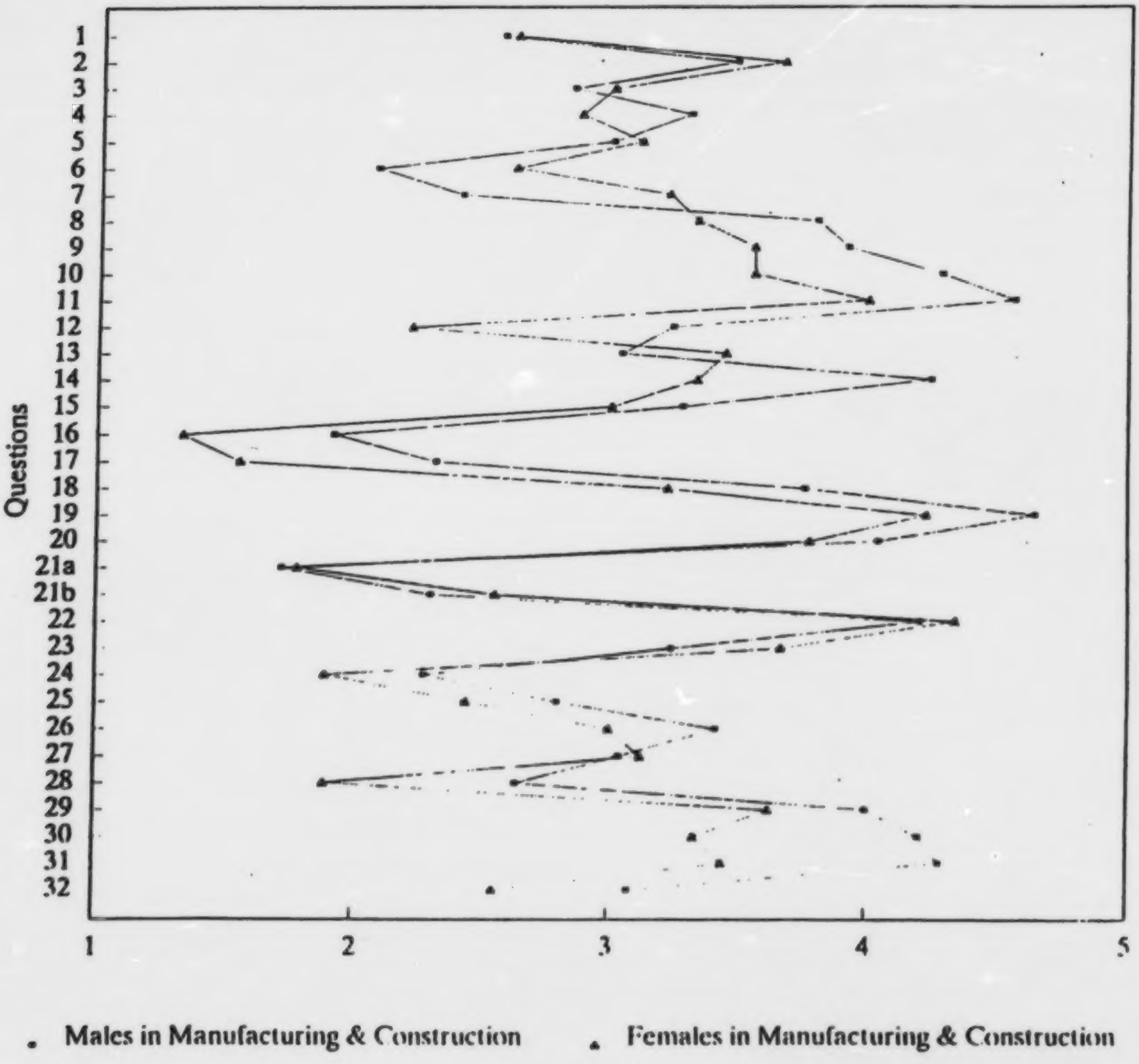
Note: 1=Strongly Disagree, 5=Strongly Agree



Comparison of Average Responses

Male/Female Retailers & Wholesalers

Note: 1=Strongly Disagree, 5=Strongly Agree



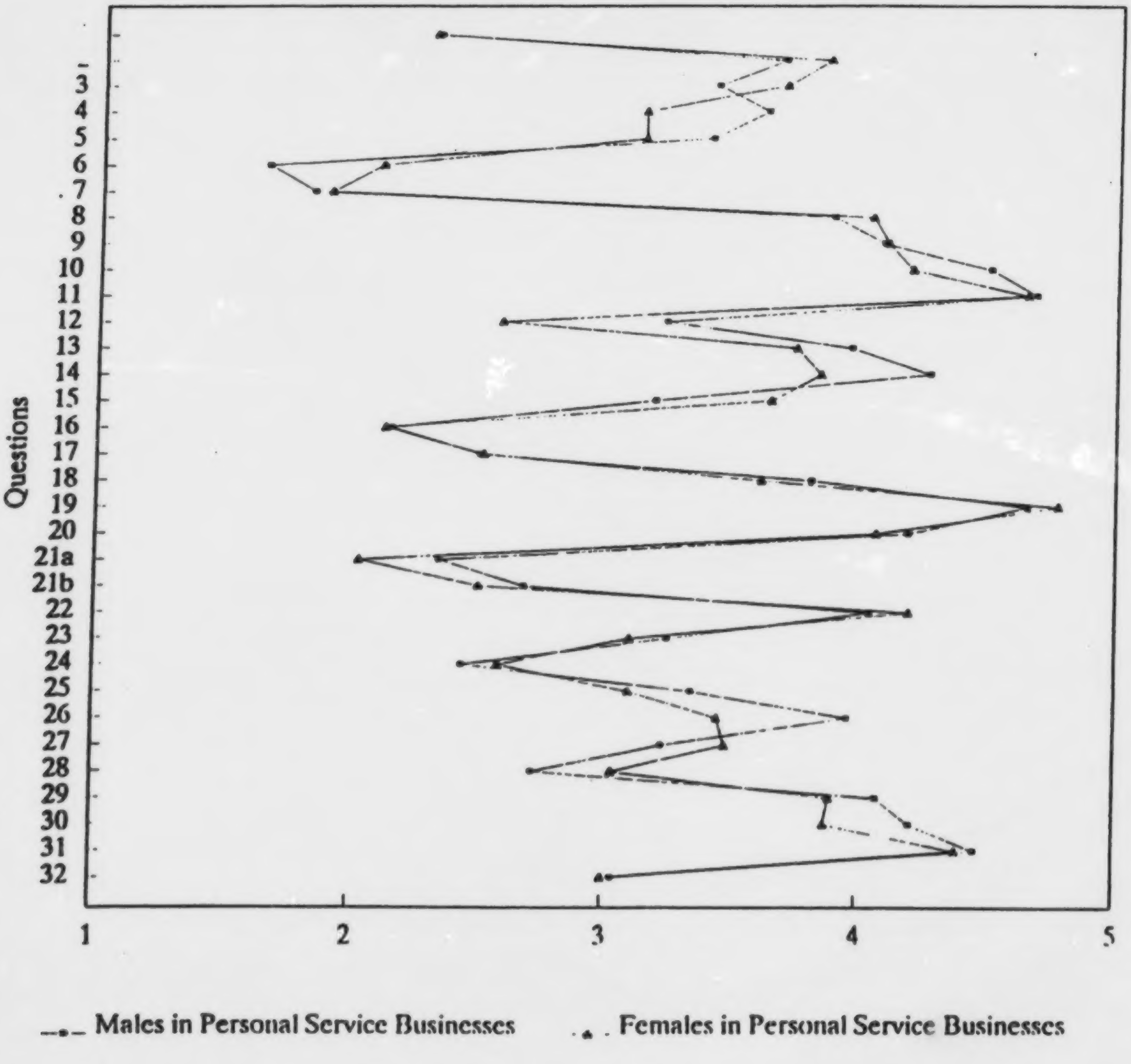
Comparison of Average Responses

Manufacturing & Construction (Male/Female Responses)

Note: 1=Strongly Disagree, 5=Strongly Agree

Comparison of Average Responses

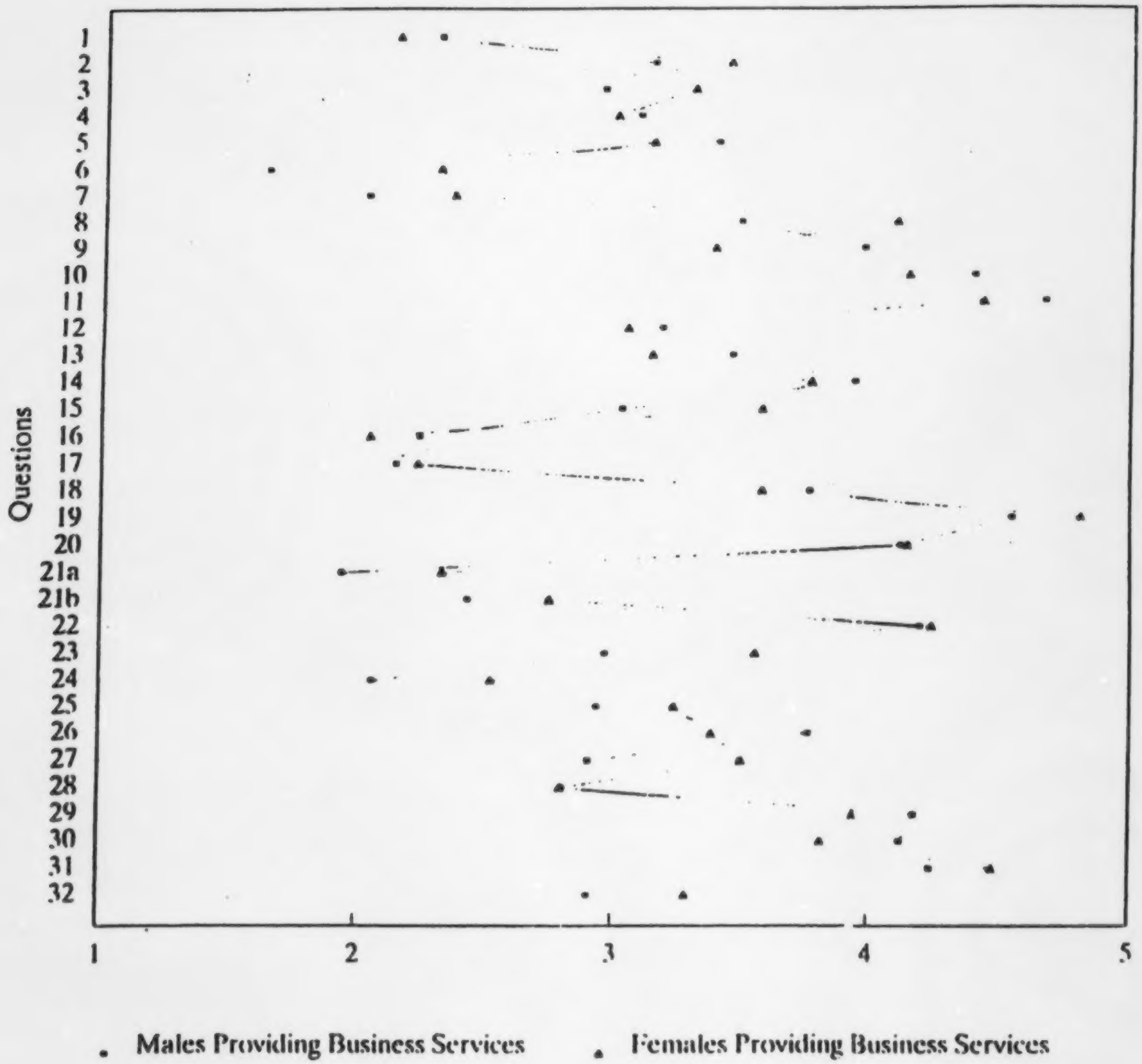
Personal Service Businesses (Male/Female Responses)



Note: 1=Strongly Disagree, 5=Strongly Agree

Comparison of Average Responses

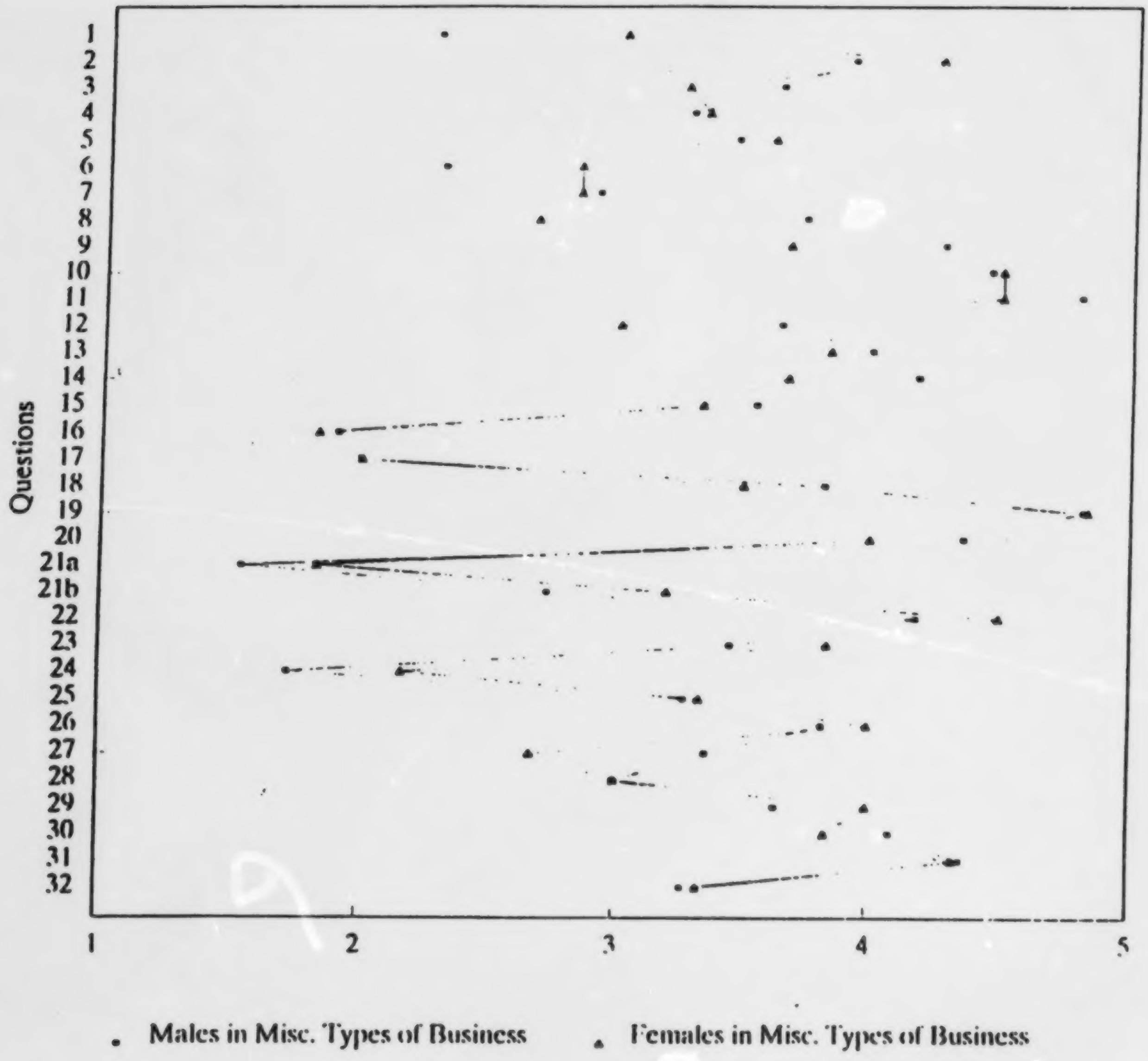
Business Services (Male/Female Responses)



Note: 1=Strongly Disagree, 5=Strongly Agree

Comparison of Average Responses

Misc. Types of Business (Male/Female Responses)



Note: 1=Strongly Disagree, 5=Strongly Agree

BUSINESS MANAGEMENT TRAINING AND EXPERIENCE

Women rated themselves less capable in some business skills and knowledge and experience.

1. Handling finances,
2. Marketing their product/service,
3. Ability to deal with customer,
4. Understanding legal matters,
5. Ability to manage staff,
6. Amount of previous experience in small business.

6.5.2. STATEMENTS IN WHICH NO SIGNIFICANT GENDER DIFFERENCES APPEAR

Of equal significance to the study were the statements in which there were no significant differences in responses by males and females. Categorizing these statements in terms of seven barriers identified in the literature, we find the following:

1. FINANCIAL
    - a. Borrowing money from the bank;
    - b. Obtaining credit from suppliers;
    - c. Raising money from investors.
2. SUPPORT AND INFORMATION NETWORKS
    - a. Awareness of non-financial government support;
    - b. Knowing people from whom they can obtain advice.

3. LACK OF BUSINESS MANAGEMENT TRAINING & EXPERIENCE
    a. Planning the business.
    b. Adequate education.
4. NEGATIVE EFFECTS ON PERSONAL AND FAMILY RELATIONSHIPS
    a. Feeling guilty about the time spent with family;
    b. Receiving support from the family;
    c. Having time for their personal life;
    d. Having time to socialize with friends;
    e. Finding time to do everything that has to be done;
    f. Feeling guilty about housework.
5. NEGATIVE SELF PERCEPTIONS
    a. Concern regarding business failure;
    b. Worry about competition;
    c. Enjoyment of work;
    d. Ability to communicate.
6. HOSTILE ENVIRONMENT
    a. None.
7. OTHER
    a. Encountering red tape.

It should also be pointed out that the statement concerned with the respondents' overall perception of barriers showed no gender-related difference.

These findings, which will be analyzed in more depth in following sections, suggest that most of the major barriers identified in the literature (particularly financial, family and personal) are **NOT** gender specific in terms of the perceptions of this study's respondents. That is, while all of the above variables may be perceived as barriers to starting and operating businesses, both men and women perceived those barriers to the same degree. Such barriers as had been identified in the literature as unique (or more difficult) to women were, in fact, perceived to be problems by both male and female entrepreneurs in Alberta.

6.6 ANALYSIS OF BACKGROUND VARIABLES

Correlations were calculated to determine the direction and strength of relationships between the background factors and the responses to the questions.

In each case, the hypothesis that there was possibly no relationship was tested using t-statistics. If the hypothesis could be rejected with at least 90% confidence (i.e. if the likelihood of no relationship was 10% or less), the confidence interval was determined, and the lower number of the interval was presented as the minimum level of confidence with which the hypothesis of no relationship could be rejected. There results are provided in Appendix 10.7.

6.6.1. VARIABLES RELATING TO NO GENDER DIFFERENCES

Of interest are the background variables that correlated to statements in which there were no significant variance between male and female responses. Following is a summary of findings:

1. Those perceiving difficulty in borrowing from a bank included both men and women who started part time or who presently are operating on a part-time basis; were younger; did not own a business before; were opening a retail/wholesale firm; and were seeking a higher percentage of investment from financial institutions.
2. Those who had problems obtaining credit from suppliers included both men and women in urban areas; who started service business; who were younger; and who financed their businesses more through bank loans.
3. Those who had difficulty in raising money from investors were both men and women in manufacturing/construction; who started or presently operated home based businesses, and who had not owned a business before.
4. Those who were more concerned about the possibility of their business failing included both men and women who ran full time businesses; who had fewer years experience with the type of business they were operating; who were younger; who were more educated and who had financed their business more through bank loans.

5. Those who were not aware of non-financial government assistance were both men and women who operated personal service or manufacturing firms; who operated from home; who had fewer years employment in that type of business; and who depended less on loans from financial institutions.
6. Those who felt their businesses were not well planned included men and women starting from home; who were not previously employed in that type of business; and who did not invest larger amounts of money in the business.
7. Those who were concerned about competition included both men and women who were in service businesses or manufacturing; who had fewer years associated with the business; who were younger; who had not been employed in the type of business before; who had more money invested or a higher percentage; who depended on the business as a major source of income.
8. Those who did not know many people to turn to for advice included both men and women in urban areas; who had started or presently operated a home based business; who had fewer years employment in business; and who had a lower education level.
9. Those who had difficulty in finding time to do all things included both men and women with fewer years in that business; who were younger; and had a higher education.

10. Those who had less time for personal life included both men and women in urban centres; who operated full time businesses; and who did not operate home based businesses.
11. Those who felt more guilty because they couldn't spend enough time with family included both men and women who operated full time businesses and who did not operate in the home.
12. Those who felt they received family support included men and women who operated in house, and who were older.
13. Those who felt they encountered government "red tape" included both men and women in manufacturing/construction; who operated full time businesses; who were younger; who had fewer years of employment in that type of business; who had not owned a business before; and were more educated.
14. Those who were less confident in their ability to communicate included both men and women who operated home based businesses and had fewer years of employment in that type of business; who had not owned a business before; and who did not depend on the business as a major source of income.

6.6.2. VARIABLES RELATING TO GENDER DIFFERENCES

There were fourteen statements in which there was significant variance according to the gender of the respondents. (confidence level of 90% or higher using test). In order to determine the degree to which the gender explains the variance among statements, other background variables which showed correlations were subjected to multiple regressions in a step wise fashion.

When their inclusion increased the error level, they were removed from the equation. Finally the sex of respondent was added in the regression to see if gender was still significant. Detailed multiple regression tables appear in Appendix 10.8.

The notable outcome is that the highest cumulative explanation of variance was 29.8%. This particular statement was somewhat tautological since it asked respondents to react to "I had lots of experience..." The chief explanatory variables was number of years employed in this type of business which accounted for 26.5% of the variance.

Setting aside this one statement, the remaining explanatory variable ranged from 12.8% to 4.5%. In other words the variables really did not explain much of the variance at all.

The variable of gender had no explanatory value for six statements which included:

1. Assertiveness,
2. Confidence the business would succeed,

3. Confidence in ability to deal with customers,
4. Difficulty in understanding legal matters,
5. Experience in running the business,
6. Need to draw money from the business.

There were eight statements in which gender was one of the variables that explained variance. These included:

1. Confidence in negotiating,
2. Confidence in ability to handle finances,
3. Confidence in ability to market product/service,
4. Difficulty in solving problems,
5. Difficulty in making decisions,
6. Awareness of government financial assistance,
7. Confidence in ability to handle staff,
8. Stress management.

Nonetheless it must be stressed that while gender was one of the explanatory variables in the above eight areas, all the independent variables explained so little of the variance that no variable, including gender, was of sufficient importance to identify it as a significant causal factor.

6.7 COMPARISON OF SURVEY RESULTS WITH THE LITERATURE

The findings and predictions of the literature suggest that barriers unique to woman may exist. The following sections compare the survey results to the literature.

6.7.1. RELATIONSHIP OF MALE AND FEMALE RESPONSES BY TYPE OF BARRIER

The numbers used in this table were derived by: slotting each of 33 statements to which responses were obtained into one of the seven barriers identified in the literature and by calculating a mean average of each barrier for male and female responses. The lower the number, the greater the extent to which respondents perceived statements to indicate a problem area.

BARRIER	MALE RESPONSES	RANK/ ORDER	FEMALE RESPONSES	RANK/ ORDER
Support and information networks	2.43	1	2.65	1
Personal and family relations	2.78	2	2.85	2
Other	2.96	3	3.14	3
Hostile Environment	3.01	4	3.09	4
Financial	3.09	5	3.25	5
Negative self-perception	3.65	6	3.44	6
Business management training	3.81	7	3.59	7

As the above table indicates, male and female respondents in this study had identical rankings of the seven barriers to entrepreneurship, emphasizing once more that gender-related barriers in Alberta may not be as significant as some of the early studies suggest.

While overall rank-orderings of barriers are obviously not available for the literature as a whole, the impression obtained by reading the material is that issues related to financing, training and experience and negative self perceptions are important barriers to women; yet this study's respondents ranked these issues lowest. A more detailed analysis of each barrier may help explain these differences.

6.7.2. METHODOLOGY

Comparisons between survey results and the literature were undertaken using the following process:

1. Results of the survey were categorized as either:
    a. Showing a significant difference between male and female respondents, or,
    b. Showing no significant difference between male and female respondents.
2. Each statement was then slotted into one of the seven barriers used in the literature review.

3. A barrier-by-barrier comparison was then made between survey results and the literature.

6.7.3. AREAS IN WHICH THERE WERE SIGNIFICANT DIFFERENCES BETWEEN MALE AND FEMALE RESPONDENTS

As previously shown, women respondents scored significantly lower on twelve of the thirty three statements than their male counterparts. Based on our taxonomy of barriers, eleven of the twelve can be placed in two of the seven categories: "negative self perceptions" and "business management training and experience." They are:

NEGATIVE SELF-PERCEPTIONS

1. Negotiating,
2. Assertiveness,
3. Confidence in the business succeeding,
4. Decision-making,
5. Stress,
6. Problem solving.

In all of the above areas, respondent's perceptions are supported by the literature.

BUSINESS MANAGEMENT TRAINING AND EXPERIENCE

1. Finance,
2. Marketing,
3. Ability to deal with customers,
4. Understanding legal matters,
5. Managing staff.

Only in "ability to deal with customers" are respondents' perceptions different than the literature. Most studies dealing with this area find that women believe they have developed interpersonal skills and thus easily relate to their customers. Our respondents did not see themselves in this way. All of the other management areas identified above have been repeatedly cited in the literature as perceived weaknesses, with "managing staff" emerging as the area of most concern.

6.7.4. AREAS IN WHICH THERE WERE NO SIGNIFICANT DIFFERENCES BETWEEN MALE AND FEMALE RESPONDENTS

For those statements in which there was no significant difference between male and female respondents, the following relationships with the literature were found.

FINANCIAL

The literature suggests there is a clear split in perceptions regarding this barrier. In this study, respondents did not differ on the basis of their gender however several comments from focus group members indicated they had no problems in obtaining financing particularly regarding the need for co-signatures and the rates of interest. These comments are supported by the findings of Swift (1988) in her study of Canadian Federation of Independent Business members.

NEGATIVE EFFECTS ON PERSONAL AND FAMILY RELATIONS

Respondents differed greatly with the literature on this category. While the majority of studies suggest that women have many more problems with personal and family relationships than men, our study's entrepreneurs could not be differentiated in this category by their gender. It should be pointed out that none of the studies which were reviewed used a comparable male control group when eliciting responses on personal and family relations.

NEGATIVE SELF-PERCEPTIONS

Four statements related to negative self-perceptions showed no significant differences between male and female respondents. These are:

a. 0 - 2 years in business,
b. 3 - 6 years in business,
c. 7 + years in business.

The participants were asked to respond to barriers to women as identified in the literature. The results are recorded in the following sections.

6.8.1. CALGARY FOCUS GROUP

FINANCIAL

1. Of the seven women who had dealt with banks through their business, six mentioned problems with their banker and one had no problems. Two women had not required bank financing.
2. The biggest issue to the women who had tried to obtain financing was bankers who had required male co-signing. In many cases the husband's signatures was required, and in one case it was the father's. There was one case in particular where the husband was worth a great deal less than the wife, but the banker was demanding this co-signature.
3. One woman stated that women are charged one-and-a-half to two percent higher interest on business loans.

4. Other problems in dealing with bankers were discussed. When asked if they thought these problems had to do with being a women, the group responded, "How would we know?"

PERSONAL

1. The women all agreed that negotiating was difficult, but they were not sure if they were worse at negotiating than men.

2. The women unanimously agreed that women are more:

   a. Emotional than men,
   b. Sensitive than men,
   c. Intuitive than men.

3. They felt that their traits are strengths as well as weaknesses.
4. One woman pointed out that women have to learn to be firm (not tough) or else they are vulnerable. (She was robbed of $36,000 by an employee that she trusted too much.)
5. Other women reported similar stories of having difficulty being firm with employees.
6. All of the women with employees felt that managing employees was their most difficult task.

FAMILY AND PERSONAL RELATIONSHIPS

1. All of the women (except the one who was just in the start-up stage) found that they had lost friends due to the demanding schedules that they had to keep to run their business. Few of them had any friends in the business world, and their friends who were not in business did not seem to understand.
2. While the women did not all have families to look after, they all agreed that having small children to look after is/would be a juggling act. The ones whose children have grown felt that they provide good role models for their children, especially their daughters.

BUSINESS EXPERIENCE

1. About half of the women present had previous business experience but not always in the same type of business.
2. Most of them felt that there were no barriers to getting experience.

BUSINESS TRAINING

1. At least one of the women received a business degree. Many of the others had taken small business courses. (They felt no barrier in this area).

PERCEPTION BY OTHERS

1. The women unanimously agreed that women have to be better prepared than men to be taken seriously.
2. There was also agreement that women have to be very careful about their personal reputation (much more so than men). There was some difference of opinion, however, as to what lengths a women has to go to preserve her reputation. One of the women (who was very high profile) felt that a woman could not meet with a man on business in the evenings unless there is at least one other person (man or woman) present. Others were not sure that they felt that they had to go quite that far as long as they were very careful.
3. The women who had been involved with doing business on an international level had found that in some countries being a women was a definite obstacle because, in those countries, the men still thought of women as not belonging in business.

SUPPORT NETWORKS

1. The women present expressed that they had no problems finding formal networks to belong to if they were interested. Not all were interested in formal networks.
2. They all expressed a need for less formal networks of other women entrepreneurs to get together with on an informal basis and discuss problems--women who they could trust. The woman who was very high profile expressed the most difficulty finding people she could trust.

INFORMATION/SERVICES

1. None of the women expressed any difficulties in the area of information services.

OTHER BARRIERS

1. No other barriers were identified.

6.8.2. EDMONTON FOCUS GROUP

FINANCIAL

1. Problems obtaining financing appeared to be industry related in this group. The two women in manufacturing had no problems. The one woman with a franchise had acquired a loan through the franchiser. The women with service businesses, however, expressed the most difficulty obtaining financing.
2. Some opinions were that, in the case of service businesses, it should be possible to obtain financing on the basis of a "proven ability to make money".
3. One of the women who had problems with bankers claimed that some banks "think they are doing you a favor by giving you a woman loans officer, but the women are harder on us". Some others agreed with this comment.

PERSONAL

1. Self-confidence and negotiating skills were both agreed upon as problem areas, but not necessarily more for women than men.
2. Other personality characteristics, such as how the women overcame barriers they encountered in business, varied among the group members.

3. Some of the women present had gone into business because of limits to their advancement that they had been facing as employees within organizations. Others had gone into business as a means of survival (to feed themselves and their family).
4. One woman felt (and some of the others agreed with her) that, in overcoming barriers in business, there are differences that depend on "how hungry you are or how necessary your success is to your survival."
5. In discussing overcoming barriers, at least two of the women felt quite strongly that it is only when a person thinks something is a barrier that it becomes a barrier (including barriers relating to sex).

FAMILY AND PERSONAL RELATIONSHIPS

1. There was unanimous agreement that, for women in business, it is a real challenge to balance the dual responsibilities of business and family, much more so than for men.
2. Most felt the benefits outweigh the difficulties in that their children are very proud of them and in that they are good role models for their children.

BUSINESS EXPERIENCE

1. There are varying degrees of business experience among the women present.
2. One of the women with less experience expressed difficulty knowing at what price to price her services. Others had experienced similar difficulty.

BUSINESS TRAINING

1. Some of the women had taken entrepreneurial courses. They did not express an impression of being disadvantaged in the area of training.

PERCEPTION BY OTHERS

1. Experiences varied. One woman spoke of the sexual discrimination she was experiencing (in a male-dominated industry). Others did not have similar experiences.
2. An opinion was expressed by some that if women do not think of themselves as women, they will not be treated differently. While agreeing, one woman added that, in her experience, other women are usually the first to remind her that she is "only" a woman.

SUPPORT NETWORKS

1. There was pretty much agreement that there had been a lack of female role models but that this was changing.
2. A need was expressed by some for more support groups. Others felt that the existing support groups available to both men and women were sufficient.

INFORMATION/SERVICES

1. Some of the attenders had taken advantage of services/programs offered by the government and educational institutes. Others were surprised that such services existed. As a result they felt at a disadvantage not knowing of the programs/services offered.

OTHER

1. No other barriers were identified.

6.9 SUMMARY OF FOCUS GROUP RESULTS

Key points or issues raised in the Calgary and Edmonton focus groups were:

1. It was unclear when problems faced had to do with being a woman or simply with being an entrepreneur.
2. Many women had experienced problems in the area of financing, including the requirement of having male co-singers.
3. Sexual discrimination was not a significant problem, except in some other countries and in male-dominated industries.
4. Major problem areas for women (and possibly for men also) include managing employees, negotiating, and being confident and firm.
5. Women in business have a great challenge in balancing work and family.
6. Few of the women have friends who are also entrepreneurs.
7. In discussing overcoming barriers, at least two of the women felt quite strongly that it is only when a person thinks something is a barrier that it becomes a barrier (including barriers relating to sex).

7.0 PRIMARY RESEARCH AMONG PROVIDERS OF SUPPORT

7.0 PRIMARY RESEARCH AMONG PROVIDERS OF SUPPORT

7.1 INTRODUCTION

The objective was to:

> Conduct new, primary research on the providers of professional, technical and financial support services in Alberta to determine their views on the real and perceived barriers to business development facing female and male clients.

7.2 METHODOLOGY

Research was conducted through telephone surveys. Providers of support were differentiated into two major groups: those providing primarily financial support and those providing general support. Two questionnaires were prepared and pre-tested. The questionnaire used for general providers of support appears in Appendix 10.9. The questionnaire used for financial providers of support appears in Appendix 10.10.

In both sets of interviews, persons were selected to correspond to the regional distribution of mail questionnaires (see Section 6.0 above). When contacting an organization, the general nature of the study was identified and an inquiry was made as to who would be the most appropriate person to interview. It was requested that the interviewee would encounter sufficient numbers of women in their day to day activities in order to provide experiential based answers.

As well, the request was made to talk to the person at the appropriate working level who dealt with clients.

A total of 65 organizations were contacted, however after qualifying the conditions of the interview, 52 persons consented to be interviewed.

7.2.1. TYPES OF GENERAL PROVIDERS OF SUPPORT:

Types of general providers of support included:

1. Accountants,
2. Business analysts - Alberta Economic Development and Trade,
3. Counsellors - Federal Business Development Bank,
4. Business development offices - Technical institutes,
5. Directors and teachers - Post-secondary education institutes.
6. Directors and counsellors - Business incubators,
7. Patent attorneys,
8. Business counsellors - Community Future Business Development Centres,

A total of 47 general providers of support were contacted, of which 37 consented to interviews.

7.2.2. TYPES OF FINANCIAL PROVIDERS OF SUPPORT

Types of financial providers of support included senior loan officers or investment counsellors from:

1. Chartered banks,
2. Trust companies and credit unions,
3. Alberta Opportunity Corporation,
4. Community Futures Business Development Centres,
5. Seed capitalists.

A total of 18 providers of financial support were contacted of which 15 consented to interviews.

7.3 ANALYSIS OF RESULTS

The summary of results to the interviews is provided in Appendix 10.11.

7.3.1. GENERAL BARRIERS

The general providers of support (N=37) were asked to identify any general concerns or difficulties that their clients encountered while starting or operating a business. Seven of the 37 answered that there were no general barriers.

The following table categorizes the answers of the thirty respondents.

BARRIER - REMARKS	# OF RESPONDENTS	PERCENT
1. Financial		
- Do not have enough to start businesses;	21	83%
- Do not understand practices of financial institutes;		
- Do not have enough collateral to serve loans;		
2. Business Knowledge		
- Marketing,	6	20%
- Planning,	6	20%
- General business knowledge,	5	17%
- Networking,	4	13%
3. Personal Shortcomings		
- Balancing work and family obligations;	3	10%
- Lack of self-esteem/ confidence;	2	10%

BARRIER - REMARKS	# OF RESPONDENTS	PERCENT
4. Specific Business Skills		
- Accounting,	3	10%
- Personnel,	3	10%
- Legal,	2	7%
- Expansion/growth,	2	7%
5. Other		
- Cannot deal with Bureaucracy,	1	3%
- Cannot do business deals, making profits, cutting costs, market research, understanding taxes, finding support services.	1	3%

Clearly the dominant barrier in general is financial. The next set of barriers deal with general business knowledge in terms of marketing, planning and networking.

7.3.2. BARRIERS UNIQUE TO WOMEN

Interviewers were than asked to recall concerns that are unique to women entrepreneurs. This question was asked of both general providers of support and of financial institutions. Ten of the fifty two persons asked did not identify any barriers unique to women. The following table categorizes the results of the remaining forty two respondents.

BARRIER - REMARKS	# OF RESPONDENTS	PERCENT
1. Difficulty In Obtaining Financing		
- Required co-signature of spouse;	24	57%
- Did not establish credit rating;		
2. Personal/Family		
- Balancing work/family;	11	26%
- Faced discrimination/ chauvinism;	11	26%
- Lacked credibility;	11	26%
- Home management obligations;	7	17%
- Self esteem/confidence;	7	17%
- Passive attitudes/ lack of assertiveness;	5	12%
- Up bringing/socialization/ limiting self vision;	5	12%
- Interruption of career to have family;	4	10%
- Fear of failure;	3	7%
- Lack of family/peer support;	2	5%
- Inability to handle stress;	2	5%
3. Business		
- Lack of business networks;	8	19%
- Lack of experience;	6	14%
- Lack of business skills;	4	10%

Again financial barriers dominated. Particularly frequently mentioned was the problem of women who required co-signatures from spouses because assets were either jointly held or held in the name of the spouse.

When respondents were asked to identify barriers in general, the next major category cited dealt with business concerns like marketing and planning. However, when respondents were asked to consider barriers unique to women, the next major category after financing focuses on issues of family and personal abilities/attitudes. Specifically the most frequently mentioned barriers involved balancing business and family obligations, facing discrimination and chauvinist attitudes and the need to develop credibility particularly for women who did not have previous barriers such as lack of network were perceived lower than personal barriers.

When the responses of financial institutes are broken out, they parallel the general response but do not place the same emphasis on personal/family barriers. Moreover most representatives of financial institutes qualified their answers. Of the six who identified difficulty in obtaining financing, four made remarks that the situation is changing. As one put it "I've seen it change over the past twenty years. Financiers are beginning to see that women are better prepared and pay more attention to detail. The are becoming appreciated as better risks."

Another indicated there has not been a default in a female owned business in 12 years. A third said the success ratios are higher for women and account managers have been made more aware of this factor considering loan applications.

7.3.3. SPECIAL APPROACHES TO WOMEN

In terms of the providing special services to women fifteen of the fifty two interviewees indicated that they provided special services on approaches. These included:

1. VIDEOS - Five indicated that videos were made available, particularly "Women In Business" and "Home-Based Business".
2. SPECIAL PROGRAMS - Five responses indicated that they offered special courses. These included the Federal Business Development Bank (FBDB) Community Business Initiatives Program, FBDB "Women In Management" and "Winning Strategies For Women", Red Deer Business Development Corporation "Women In Business" workshop plus women's business network presentation. The Alberta Opportunity Company is contemplating a seminar on Women In Business.
3. ROLE MODELS - One respondent reported the use of female role models to teach entrepreneurs programs. Another reported setting up booths at Women's Trade Shows.

4. OTHER - Three other responses included referring women to female loan officers, making loan officers aware of high success ratio among female business start-ups, and distributing Women's Entrepreneur Magazine.

7.4 SUMMARY

Fifty two persons involved in the provision of business support in Alberta were interviewed. These included trainers, counsellors, accountants, and financiers. Of the fifty two, fifteen were providers of financial support.

When the providers were asked to identify general barriers faced by their clients they responded as follows:

1. FINANCIAL - e.g. insufficient capital and collateral planning, and networking;
2. BUSINESS KNOWLEDGE - e.g. lack of understanding of marketing, planning, and networking;
3. PERSONAL - e.g. balance work/family obligations, low confidence;
4. SPECIFIC SKILLS - e.g. lack of accounting, staff management, and legal.

However when the providers were asked to identify barriers unique to women, the order of barriers changed and the specific examples used to illustrate their points changed the nature of the responses.

1. FINANCIAL - Requiring co-signature, no credit rating;
2. PERSONAL - Faced by discrimination, passive attitudes, interception to career to have family, limiting self vision;
3. BUSINESS - Lack of experience, networks, and business skills.

There appeared to be an appreciation among providers of support that women entrepreneurs face the normal barrier faced by entrepreneurs. Above and beyond these women seem to face some added dimensions that men do not face. In particular financing seems to contain an extra burden for women in having to acquire co-signatures. As well the providers of support perceived special problems for women in the area of personal and family barriers.

However, having identified some barriers that they felt were unique to women, 37 of the 52 interviews (72%) indicated that they did not provide any special programs or approaches to women. In fact many of the respondents were quite adamant that men and women are equal in the business world and that women did not require any special treatment. Presumably the barriers that were identified as unique to women were, in the opinion of providers, items that women had to over come themselves, or perhaps of secondary importance to the normal barriers faced by entrepreneurs.

8.0 COMPARISON OF BARRIERS AND EXISTING PROGRAMS

8.0 COMPARISON OF BARRIERS AND EXISTING PROGRAMS

8.1 INTRODUCTION

The objective was to:

> Present the foregoing (outcomes of the study) in terms of needs, issues and concerns that are unique to women relative to programs and services available.

When this objective had been set it was anticipated that a clear set of barriers unique to women would emerge and that analysis of existing programs and services targeted at women would reveal some deficiencies.

However, in both cases, the results of this study were in the opposite direction of anticipated results.

8.2 BARRIERS

As indicated in primary research among women, no significant gender related differences between men and women entrepreneurs in Alberta emerged. Many of the barriers that were identified were for the most part, obstacles faced by small business people regardless of their sex. Barriers identified in the literature as unique to women were not substantiated in the primary research. Therefore this study concludes that there is no barrier to women that clearly needs or can be addressed by special programs or approaches.

8.3 PROGRAMS

As concluded in the section on programs targeted at women there are very few publicly funded programs or services specifically aimed at women entrepreneurs and there appears to be little reason to develop such initiatives.

While women entrepreneurs have become an increasingly dominant force in small business they do not want special support that emerges from their gender. Rather the programs and services available to entrepreneurs as a whole respond to the needs of women.

9.0 RECOMMENDATIONS

9.1 INTRODUCTION

Notwithstanding that significant barriers unique to women did not emerge from the study, some obstacles were still identified. Women rated themselves less confident in personal skills and attitudes. The area of negative self perception emerged as the main set of perceived barriers. Such deficiencies seem to emerge from the lack of experience in small business and lack of early socialization into roles of entrepreneurs.

As more women enter the field of small business and more gain experience in operating their own businesses the problem of negative self perception should diminish. Nothing succeeds like success.

9.2 SUPPORT OF INITIATIVES

However, what has emerged, particularly in the United States are private sector initiatives or non-profit organizations which promote women business ownership. The encouragement of such networks appears to be the chief method by which advancement of women entrepreneurs can be achieved.

Notably the Minnesotan experience - Women's Economic Development Corporation (WEDCO), The American's Women's Economic Development Corporation (AWED), and the Ontario Business Ownership for Women Program (BOW) can be used as models for private initiatives. The evaluation of the BOW program proposed eight activity areas:

1. Province-wide networking & mentoring,
2. Local mutual support circles,
3. Annual provincial conferences,
4. Cooperative with other organizations,
5. Research projects,
6. Provision of role models,
7. Monitoring and follow-up,
9. Advocacy.

While it is important that such networking be undertaken and supported by women entrepreneurs, the Provincial Government can play a role in encouraging the development of and nurturing initiatives in this area. Specially, the government can:

1. Gather and distribute information regarding the various women's networking systems identified in this study,
2. Identify and encourage Albertan women entrepreneurs who might take a leadership role in indicating local network systems.

3. Determine the future plans of existing Canadian national private sector organizations, such as the Canadian Association of Woman Business Owners, Canadian Associates of Women Executives and Entrepreneurs, Home Business Women's Network and Canadian Federation of Women Entrepreneurs, to encourage more attention to activities in Alberta.
4. Support the launching of any Alberta wide organizations.